



HEALTH ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2018
OF THE CONDITION AND AFFAIRS OF THE
Anthem Health Plans of Maine, Inc.

NAIC Group Code	0671 (Current)	0671 (Prior)	NAIC Company Code	52618	Employer's ID Number	31-1705652
Organized under the Laws of	Maine			State of Domicile or Port of Entry	ME	
Country of Domicile	United States of America					
Licensed as business type:	Other					
Is HMO Federally Qualified?	Yes [] No [X]					
Incorporated/Organized	03/10/2000			Commenced Business	06/05/2000	
Statutory Home Office	2 Gannett Drive (Street and Number)			South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)		
Main Administrative Office	2 Gannett Drive (Street and Number)			South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)		
				866-583-6182 (Area Code) (Telephone Number)		
Mail Address	2 Gannett Drive (Street and Number or P.O. Box)			South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	2 Gannett Drive (Street and Number)			South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)		
				866-583-6182 (Area Code) (Telephone Number)		
Internet Website Address	www.anthem.com					
Statutory Statement Contact	Dan Wolke (Name)			317-488-6245 (Area Code) (Telephone Number)		
	dan.wolke@anthem.com (E-mail Address)			317-488-6200 (FAX Number)		

OFFICERS

President	Denise Finn McDonough #	Treasurer	Vincent Edward Scher #
Secretary	Kathleen Susan Kiefer	Assistant Treasurer	Eric (Rick) Kenneth Noble

OTHER

Claudia Ellis #, Actuary		
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DIRECTORS OR TRUSTEES

Denise Finn McDonough #	Laurie Helm Benintendi #	Kathleen Susan Kiefer
Ronald William Penczek	Vincent Edward Scher #	John Edward Gallina
Catherine Irene Kelaghan		

State of Maine SS:
County of Cumberland

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

<u>Denise Finn McDonough</u> Denise Finn McDonough President	<u>Kathleen Susan Kiefer</u> Kathleen Susan Kiefer Secretary	<u>Vincent Edward Scher</u> Vincent Edward Scher Treasurer
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Subscribed and sworn to before me this 20th day of February, 2019
Sharon W. Berry

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

SHARON W. BERRY
Notary Public, Maine
My Commission Expires January 8, 2024

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	246,152,805		246,152,805	217,739,541
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	72,500	0	72,500	72,500
4.2 Properties held for the production of income (less \$0 encumbrances)			0	
4.3 Properties held for sale (less \$0 encumbrances)			0	
5. Cash (\$(3,276,337) , Schedule E - Part 1), cash equivalents (\$1,296,346 , Schedule E - Part 2) and short-term investments (\$4,294,918 , Schedule DA)	2,314,927		2,314,927	14,456,693
6. Contract loans, (including \$ premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)	0		0	137,479
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)	11,915,083		11,915,083	5,636,270
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	260,455,315	0	260,455,315	238,042,483
13. Title plants less \$ charged off (for Title insurers only)			0	
14. Investment income due and accrued	1,727,989	0	1,727,989	1,916,816
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	26,300,603	2,051,429	24,249,174	38,266,803
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$19,048,039 earned but unbilled premiums)	19,048,039	0	19,048,039	19,601,623
15.3 Accrued retrospective premiums (\$574,331) and contracts subject to redetermination (\$2,655,362)	3,229,693	0	3,229,693	2,327,761
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	19,750	0	19,750	582,818
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans	107,785,860	37,011,716	70,774,144	32,487,159
18.1 Current federal and foreign income tax recoverable and interest thereon	2,255,572	0	2,255,572	829,517
18.2 Net deferred tax asset	5,602,126	0	5,602,126	7,487,433
19. Guaranty funds receivable or on deposit	220,481	0	220,481	220,481
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets (\$)	3,980,740	3,980,740	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates			0	16,013,029
24. Health care (\$44,507,476) and other amounts receivable	79,571,069	35,063,593	44,507,476	74,697,389
25. Aggregate write-ins for other than invested assets	62,561,655	715,651	61,846,004	65,489,646
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	572,758,892	78,823,129	493,935,763	497,962,958
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	572,758,892	78,823,129	493,935,763	497,962,958
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. FEP Assets Held By Agent	61,681,444	0	61,681,444	65,322,456
2502. Miscellaneous Receivables	201,136	36,576	164,560	167,189
2503. Prepaid Expenses	679,075	679,075	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	62,561,655	715,651	61,846,004	65,489,646

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$0 reinsurance ceded)	82,934,741	1,361,398	84,296,139	142,546,150
2. Accrued medical incentive pool and bonus amounts	499,003		499,003	3,916,151
3. Unpaid claims adjustment expenses	2,080,096		2,080,096	2,627,729
4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	103,649,293		103,649,293	115,228,149
5. Aggregate life policy reserves			0	
6. Property/casualty unearned premium reserves			0	
7. Aggregate health claim reserves	68,630		68,630	71,391
8. Premiums received in advance	10,791,894		10,791,894	8,083,578
9. General expenses due or accrued	4,395,489		4,395,489	3,957,937
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))			0	
10.2 Net deferred tax liability	0		0	
11. Ceded reinsurance premiums payable			0	
12. Amounts withheld or retained for the account of others	236,972		236,972	223,825
13. Remittances and items not allocated	3,782,267		3,782,267	15,194,771
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current)			0	
15. Amounts due to parent, subsidiaries and affiliates	105,320,853		105,320,853	0
16. Derivatives			0	
17. Payable for securities	498,107		498,107	
18. Payable for securities lending	11,915,083		11,915,083	5,636,270
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers)			0	
20. Reinsurance in unauthorized and certified (\$) companies			0	
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	
22. Liability for amounts held under uninsured plans	36,869,733		36,869,733	25,231,097
23. Aggregate write-ins for other liabilities (including \$2,906,257 current)	9,473,831	0	9,473,831	9,860,650
24. Total liabilities (Lines 1 to 23)	372,515,992	1,361,398	373,877,390	332,577,698
25. Aggregate write-ins for special surplus funds	XXX	XXX	11,059,039	33,382,497
26. Common capital stock	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock	XXX	XXX		
28. Gross paid in and contributed surplus	XXX	XXX	120,652,900	120,652,900
29. Surplus notes	XXX	XXX	0	
30. Aggregate write-ins for other than special surplus funds	XXX	XXX	0	0
31. Unassigned funds (surplus)	XXX	XXX	(14, 153,566)	8,849,863
32. Less treasury stock, at cost:				
32.1 shares common (value included in Line 26 \$)	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$)	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32)	XXX	XXX	120,058,373	165,385,260
34. Total liabilities, capital and surplus (Lines 24 and 33)	XXX	XXX	493,935,763	497,962,958
DETAILS OF WRITE-INS				
2301. FEP Special Advance	4,882,631		4,882,631	2,854,240
2302. Escheat Liability	1,813,776		1,813,776	1,663,432
2303. Other premium liability	1,573,813		1,573,813	1,342,510
2398. Summary of remaining write-ins for Line 23 from overflow page	1,203,611	0	1,203,611	4,000,468
2399. Totals (Lines 2301 thru 2303 plus 2398)(Line 23 above)	9,473,831	0	9,473,831	9,860,650
2501. Estimated ACA Health Insurer fee	XXX	XXX	0	21,034,623
2502. Deferred gain on sale-leaseback transaction	XXX	XXX	11,059,039	12,347,874
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	XXX	XXX	11,059,039	33,382,497
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above)	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	4,312,662	4,670,930
2. Net premium income (including \$ non-health premium income)	XXX	988,862,510	1,166,212,759
3. Change in unearned premium reserves and reserve for rate credits	XXX	2,877,229	(26,670,469)
4. Fee-for-service (net of \$ medical expenses)	XXX	0	
5. Risk revenue	XXX	0	
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	991,739,739	1,139,542,290
Hospital and Medical:			
9. Hospital/medical benefits	10,332,130	639,753,149	759,789,341
10. Other professional services	158,557	9,817,634	9,849,648
11. Outside referrals	0	0	0
12. Emergency room and out-of-area	412,263	25,526,849	25,470,207
13. Prescription drugs	2,780,574	173,169,829	195,252,337
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments and bonus amounts		3,812,546	8,789,422
16. Subtotal (Lines 9 to 15)	13,683,524	852,080,007	999,150,955
Less:			
17. Net reinsurance recoveries		0	281,683
18. Total hospital and medical (Lines 16 minus 17)	13,683,524	852,080,007	998,869,272
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$13,863,798 cost containment expenses		24,406,889	31,989,954
21. General administrative expenses		69,256,197	61,119,570
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		159,903	0
23. Total underwriting deductions (Lines 18 through 22).....	13,683,524	945,902,996	1,091,978,796
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	45,836,743	47,563,494
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		9,002,397	6,339,836
26. Net realized capital gains (losses) less capital gains tax of \$148,954		1,389,301	2,114,593
27. Net investment gains (losses) (Lines 25 plus 26)	0	10,391,698	8,454,429
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$18,097)]		(18,097)	(89,957)
29. Aggregate write-ins for other income or expenses	0	796,254	315,530
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	57,006,599	56,243,497
31. Federal and foreign income taxes incurred	XXX	(1,635,185)	18,502,460
32. Net income (loss) (Lines 30 minus 31)	XXX	58,641,784	37,741,037
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. Miscellaneous income	0	796,254	315,530
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	796,254	315,530

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	165,385,260	150,447,929
34. Net income or (loss) from Line 32	58,641,784	37,741,037
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$(26,458)	(117,012)	(209,547)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	(4,113,757)	(8,616,087)
39. Change in nonadmitted assets	(60,749,066)	6,310,763
40. Change in unauthorized and certified reinsurance	0	
41. Change in treasury stock	0	
42. Change in surplus notes	0	
43. Cumulative effect of changes in accounting principles.....		
44. Capital Changes:		
44.1 Paid in	0	
44.2 Transferred from surplus (Stock Dividend).....	0	
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in	0	
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders	(37,700,000)	(19,000,000)
47. Aggregate write-ins for gains or (losses) in surplus	(1,288,835)	(1,288,835)
48. Net change in capital and surplus (Lines 34 to 47)	(45,326,886)	14,937,331
49. Capital and surplus end of reporting period (Line 33 plus 48)	120,058,373	165,385,260
DETAILS OF WRITE-INS		
4701. Deferred gain on sale-leaseback transaction	(1,288,835)	(1,288,835)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	(1,288,835)	(1,288,835)

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,000,819,477	1,148,550,362
2. Net investment income	9,378,755	6,745,288
3. Miscellaneous income	0	
4. Total (Lines 1 through 3)	1,010,198,232	1,155,295,650
5. Benefit and loss related payments	913,186,859	962,365,822
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	154,677,385	86,498,760
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$148,954 tax on capital gains (losses)	(60,176)	19,475,500
10. Total (Lines 5 through 9)	1,067,804,068	1,068,340,082
11. Net cash from operations (Line 4 minus Line 10)	(57,605,836)	86,955,567
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	66,560,179	110,436,759
12.2 Stocks	0	
12.3 Mortgage loans	0	
12.4 Real estate	0	
12.5 Other invested assets	0	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	(576)	(1,932)
12.7 Miscellaneous proceeds	498,107	4,848,866
12.8 Total investment proceeds (Lines 12.1 to 12.7)	67,057,710	115,283,693
13. Cost of investments acquired (long-term only):		
13.1 Bonds	94,906,726	137,276,855
13.2 Stocks	0	
13.3 Mortgage loans	0	
13.4 Real estate	0	
13.5 Other invested assets	0	
13.6 Miscellaneous applications	6,278,813	
13.7 Total investments acquired (Lines 13.1 to 13.6)	101,185,539	137,276,855
14. Net increase (decrease) in contract loans and premium notes	0	
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(34,127,829)	(21,993,162)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	
16.2 Capital and paid in surplus, less treasury stock	0	
16.3 Borrowed funds	0	
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	
16.5 Dividends to stockholders	37,700,000	19,000,000
16.6 Other cash provided (applied)	117,291,899	(24,921,009)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	79,591,899	(43,921,009)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(12,141,766)	21,041,396
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	14,456,693	(6,584,704)
19.2 End of year (Line 18 plus Line 19.1)	2,314,927	14,456,693

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	988,862,510	709,782,351	47,306,294	8,588,453	7,534,336	205,693,139	936,401	0	9,021,536	0
2. Change in unearned premium reserves and reserve for rate credit	2,877,229	(961,302)	62,784	(223)	4,430	3,641,011	130,529	0	0	0
3. Fee-for-service (net of \$ medical expenses)	0	0								XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	991,739,739	708,821,049	47,369,078	8,588,230	7,538,766	209,334,150	1,066,930	0	9,021,536	0
8. Hospital/medical benefits	639,753,149	440,589,060	40,747,319	5,861,919	5,248,274	137,981,949	(218,768)	0	9,543,396	XXX
9. Other professional services	9,817,634	0	0	0	0	9,817,634	0	0	0	XXX
10. Outside referrals	0	0	0	0	0	0	0	0	0	XXX
11. Emergency room and out-of-area	25,526,849	25,521,684	5,165	0	0	0	0	0	0	XXX
12. Prescription drugs	173,169,829	131,428,935	(649,430)	0	0	42,422,596	(30,798)	0	(1,474)	XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	3,812,546	2,564,177	0	0	0	853,541	394,828	0	0	XXX
15. Subtotal (Lines 8 to 14)	852,080,007	600,103,856	40,103,054	5,861,919	5,248,274	191,075,720	145,262	0	9,541,922	XXX
16. Net reinsurance recoveries	0	0	0	0	0	0	0	0	0	XXX
17. Total medical and hospital (Lines 15 minus 16)	852,080,007	600,103,856	40,103,054	5,861,919	5,248,274	191,075,720	145,262	0	9,541,922	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$13,863,798 cost containment expenses	24,406,889	22,210,206	2,571,892	641,696	457,530	5,312,040	328,235	0	(7,114,710)	0
20. General administrative expenses	69,256,197	47,453,853	5,495,050	1,371,033	977,548	11,349,590	701,299	0	1,907,824	0
21. Increase in reserves for accident and health contracts	159,903	0	0	0	0	0	159,903	0	0	XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
23. Total underwriting deductions (Lines 17 to 22)	945,902,996	669,767,915	48,169,996	7,874,648	6,683,352	207,737,350	1,334,699	0	4,335,036	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	45,836,743	39,053,134	(800,918)	713,582	855,414	1,596,800	(267,769)	0	4,686,500	0
DETAILS OF WRITE-INS										XXX
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	709,839,835	0	57,484	709,782,351
2. Medicare Supplement	47,306,294	0	0	47,306,294
3. Dental only	8,588,453	0	0	8,588,453
4. Vision only	7,534,336	0	0	7,534,336
5. Federal Employees Health Benefits Plan	205,693,139	0	0	205,693,139
6. Title XVIII - Medicare	936,401	0	0	936,401
7. Title XIX - Medicaid	0	0	0	0
8. Other health	9,021,536	0	0	9,021,536
9. Health subtotal (Lines 1 through 8)	988,919,994	0	57,484	988,862,510
10. Life	0		0	0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	988,919,994	0	57,484	988,862,510

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	909,807,748	649,540,212	42,703,423	5,897,045	5,284,889	190,920,562	6,008,197	0	9,453,420	0
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	563,068	563,068	0	0	0	0	0	0	0	0
1.4 Net	909,244,680	648,977,144	42,703,423	5,897,045	5,284,889	190,920,562	6,008,197	0	9,453,420	0
2. Paid medical incentive pools and bonuses	7,229,694	5,377,631	0	0	0	1,340,257	511,806	0	0	0
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	84,296,139	58,857,355	5,211,192	396,699	271,261	18,519,970	76,862	0	962,800	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
3.4 Net	84,296,139	58,857,355	5,211,192	396,699	271,261	18,519,970	76,862	0	962,800	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	68,630	50,843	(3)	0	0	17,790	0	0	0	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
4.4 Net	68,630	50,843	(3)	0	0	17,790	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	499,003	373,165	0	0	0	101,695	24,143	0	0	0
6. Net healthcare receivables (a)	3,287,515	3,516,867	178,320	2,624	0	215,700	(625,996)	0	0	0
7. Amounts recoverable from reinsurers December 31, current year	19,750	19,750	0	0	0	0	0	0	0	0
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	142,546,150	107,338,132	7,633,238	429,201	307,876	19,002,784	6,960,621	0	874,298	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	142,546,150	107,338,132	7,633,238	429,201	307,876	19,002,784	6,960,621	0	874,298	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	71,391	53,732	0			17,659				
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	71,391	53,732	0	0	0	17,659	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	3,916,151	3,186,619				588,411	141,121			
11. Amounts recoverable from reinsurers December 31, prior year	582,818	582,818								
12. Incurred Benefits:										
12.1 Direct	848,267,461	597,539,679	40,103,054	5,861,919	5,248,274	190,222,179	(249,566)	0	9,541,922	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
12.4 Net	848,267,461	597,539,679	40,103,054	5,861,919	5,248,274	190,222,179	(249,566)	0	9,541,922	0
13. Incurred medical incentive pools and bonuses	3,812,546	2,564,177	0	0	0	853,541	394,828	0	0	0

(a) Excludes \$ 66,927,746 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	24,436,139	21,710,521	1,446,833	110,840	21,499	1,071,195	75,251	.0	.0	.0
1.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
1.4 Net	24,436,139	21,710,521	1,446,833	110,840	21,499	1,071,195	75,251	.0	.0	.0
2. Incurred but Unreported:										
2.1 Direct	59,860,000	37,146,834	3,764,359	285,859	249,762	17,448,775	1,611	.0	962,800	.0
2.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
2.4 Net	59,860,000	37,146,834	3,764,359	285,859	249,762	17,448,775	1,611	.0	962,800	.0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
3.4 Net .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4. TOTALS:										
4.1 Direct	84,296,139	58,857,355	5,211,192	396,699	271,261	18,519,970	76,862	.0	962,800	.0
4.2 Reinsurance assumed .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.3 Reinsurance ceded .....	.0	.0	.0	.0	.0	.0	.0	.0	.0	.0
4.4 Net	84,296,139	58,857,355	5,211,192	396,699	271,261	18,519,970	76,862	0	962,800	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	95,240,297	562,239,454	374,445	58,533,753	95,614,742	107,391,864
2. Medicare Supplement	7,261,426	35,988,745	113,194	5,097,995	7,374,620	7,633,238
3. Dental Only	283,999	5,614,977	14,228	382,471	298,227	429,201
4. Vision Only	276,335	5,008,554	1,416	269,845	277,751	307,876
5. Federal Employees Health Benefits Plan	19,103,694	171,833,671	59,994	18,477,766	19,163,688	19,020,443
6. Title XVIII - Medicare	4,025,362	2,833,622	(95,709)	172,571	3,929,653	6,960,621
7. Title XIX - Medicaid	0	0	0	0	0	0
8. Other health	591,085	8,862,335	(21,064)	983,864	570,021	874,298
9. Health subtotal (Lines 1 to 8)	126,782,198	792,381,358	446,504	83,918,265	127,228,702	142,617,541
10. Healthcare receivables (a)	1,158,416	11,484,907	0	0	1,158,416	0
11. Other non-health	0	0	0	0	0	0
12. Medical incentive pools and bonus amounts	3,794,185	3,435,509	43,666	455,337	3,837,851	3,916,151
13. Totals (Lines 9 - 10 + 11 + 12)	129,417,967	784,331,960	490,170	84,373,602	129,908,137	146,533,692

(a) Excludes \$ 66,927,746 loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	55,233	55,426	55,109	55,025	55,025
2.	2014	601,792	660,398	660,419	660,049	659,793
3.	2015	XXX	596,343	660,711	660,920	660,885
4.	2016	XXX	XXX	621,226	685,164	685,389
5.	2017	XXX	XXX	XXX	614,589	712,068
6.	2018	XXX	XXX	XXX	XXX	544,874

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	(240,377)	55,426	55,109	55,025	55,025
2.	2014	663,877	662,667	660,421	660,049	659,834
3.	2015	XXX	666,250	661,244	660,924	660,886
4.	2016	XXX	XXX	690,594	686,730	685,578
5.	2017	XXX	XXX	XXX	723,597	712,236
6.	2018	XXX	XXX	XXX	XXX	612,871

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	771,307	659,793	21,404	3.2	681,197	88.3	41	1	681,239	88.3
2. 2015	772,463	660,885	19,995	3.0	680,880	88.1	0	0	680,880	88.1
3. 2016	780,525	685,389	21,013	3.1	706,402	90.5	189	4	706,595	90.5
4. 2017	826,393	712,068	24,804	3.5	736,872	89.2	169	3	737,044	89.2
5. 2018	708,821	553,988	19,271	3.5	573,259	80.9	58,883	1,385	633,527	89.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	9,776	9,766	9,745	9,743	9,743
2.	2014	30,233	35,489	35,488	35,488	35,487
3.	2015	XXX	28,567	36,580	36,665	36,801
4.	2016	XXX	XXX	18,286	36,445	36,443
5.	2017	XXX	XXX	XXX	30,070	37,143
6.	2018	XXX	XXX	XXX	XXX	35,294

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	9,813	9,766	9,745	9,743	9,743
2.	2014	35,782	35,505	35,488	35,488	35,487
3.	2015	XXX	37,084	36,700	36,665	36,801
4.	2016	XXX	XXX	37,441	36,504	36,443
5.	2017	XXX	XXX	XXX	37,645	37,256
6.	2018	XXX	XXX	XXX	XXX	40,418

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Medicare Supplement

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	43,174	35,487	1,950	5.5	37,437	86.7	0	0	37,437	86.7
2. 2015	43,516	36,801	1,721	4.7	38,522	88.5	0	0	38,522	88.5
3. 2016	44,889	36,443	2,179	6.0	38,622	86.0	0	0	38,622	86.0
4. 2017	46,589	37,143	2,000	5.4	39,143	84.0	113	3	39,259	84.3
5. 2018	47,369	35,320	2,146	6.1	37,466	79.1	5,098	113	42,677	90.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	194	195	195	195	195
2.	2014	3,041	3,242	3,244	3,246	3,246
3.	2015	XXX	4,087	4,291	4,296	4,296
4.	2016	XXX	XXX	4,793	5,010	5,010
5.	2017	XXX	XXX	XXX	5,430	5,713
6.	2018	XXX	XXX	XXX	XXX	5,611

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	197	195	195	195	195
2.	2014	3,341	3,246	3,244	3,246	3,246
3.	2015	XXX	4,406	4,295	4,297	4,296
4.	2016	XXX	XXX	5,181	5,016	5,011
5.	2017	XXX	XXX	XXX	5,852	5,727
6.	2018	XXX	XXX	XXX	XXX	5,993

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	4,979	3,246	171	5.3	3,417	68.6	0	0	3,417	68.6
2. 2015	6,384	4,296	252	5.9	4,548	71.2	0	0	4,548	71.2
3. 2016	7,517	5,010	397	7.9	5,407	71.9	1	0	5,408	71.9
4. 2017	8,280	5,713	573	10.0	6,286	75.9	13	0	6,299	76.1
5. 2018	8,588	5,611	613	10.9	6,224	72.5	382	9	6,615	77.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	138	138	138	138	138
2.	2014	2,662	2,803	2,803	2,803	2,803
3.	2015	XXX	2,844	3,049	3,049	3,049
4.	2016	XXX	XXX	4,200	4,504	4,504
5.	2017	XXX	XXX	XXX	4,822	5,098
6.	2018	XXX	XXX	XXX	XXX	5,009

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	138	138	138	138	138
2.	2014	2,785	2,803	2,803	2,803	2,803
3.	2015	XXX	3,074	3,049	3,049	3,049
4.	2016	XXX	XXX	4,526	4,504	4,504
5.	2017	XXX	XXX	XXX	5,130	5,100
6.	2018	XXX	XXX	XXX	XXX	5,278

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	3,813	2,803	1,280	45.7	4,083	107.1	0	0	4,083	107.1
2. 2015	3,779	3,049	182	6.0	3,231	85.5	0	0	3,231	85.5
3. 2016	5,401	4,504	252	5.6	4,756	88.1	0	0	4,756	88.1
4. 2017	7,198	5,098	378	7.4	5,476	76.1	1	0	5,477	76.1
5. 2018	7,539	5,009	436	8.7	5,445	72.2	270	7	5,722	75.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred						Cumulative Net Amounts Paid				
						1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior					16,842	16,633	16,509	16,461	16,461
2.	2014					150,034	166,609	166,925	166,815	166,649
3.	2015					XXX	154,326	170,050	169,952	169,835
4.	2016					XXX	XXX	157,132	176,392	176,179
5.	2017					XXX	XXX	XXX	168,972	189,146
6.	2018					XXX	XXX	XXX	XXX	172,367

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred						Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
						1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior					16,889	16,633	16,509	16,461	16,461
2.	2014					169,100	166,639	166,925	166,815	166,649
3.	2015					XXX	172,165	170,173	169,952	169,835
4.	2016					XXX	XXX	176,064	176,500	176,179
5.	2017					XXX	XXX	XXX	188,472	189,210
6.	2018					XXX	XXX	XXX	XXX	190,942

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2014	184,897	166,649	2,919	1.8	169,568	91.7	0	0	169,568	91.7
2.	2015	187,926	169,835	3,150	1.9	172,985	92.0	0	0	172,985	92.0
3.	2016	192,754	176,179	4,329	2.5	180,508	93.6	0	0	180,508	93.6
4.	2017	201,735	189,146	4,321	2.3	193,467	95.9	64	2	193,533	95.9
5.	2018	209,334	172,367	4,844	2.8	177,211	84.7	18,575	527	196,313	93.8

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	2,811	1,524	1,502	1,492	1,492
2.	2014	3,618	4,881	4,892	4,892	4,892
3.	2015	XXX	11,368	13,757	13,804	13,783
4.	2016	XXX	XXX	19,737	22,399	22,520
5.	2017	XXX	XXX	XXX	30,916	34,786
6.	2018	XXX	XXX	XXX	XXX	3,176

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	2,950	1,524	1,502	1,492	1,492
2.	2014	4,118	4,923	4,892	4,892	4,892
3.	2015	XXX	14,181	13,662	13,798	13,784
4.	2016	XXX	XXX	23,408	22,479	22,500
5.	2017	XXX	XXX	XXX	37,943	34,726
6.	2018	XXX	XXX	XXX	XXX	3,357

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	5,150	4,892	1,051	21.5	5,943	115.4	0	0	5,943	115.4
2. 2015	14,596	13,783	261	1.9	14,044	96.2	1	0	14,045	96.2
3. 2016	25,548	22,520	1,306	5.8	23,826	93.3	(21)	0	23,805	93.2
4. 2017	41,607	34,786	2,159	6.2	36,945	88.8	(60)	0	36,885	88.7
5. 2018	1,067	3,176	193	6.1	3,369	315.7	181	(1)	3,549	332.6

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	322	322	322	322	322
2.	2014	3,564	4,213	4,213	4,213	4,213
3.	2015	XXX	5,194	5,870	5,870	5,870
4.	2016	XXX	XXX	4,021	4,654	4,654
5.	2017	XXX	XXX	XXX	5,746	6,337
6.	2018	XXX	XXX	XXX	XXX	8,862

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	322	322	322	322	322
2.	2014	3,808	4,214	4,213	4,213	4,213
3.	2015	XXX	5,997	5,872	5,870	5,870
4.	2016	XXX	XXX	4,498	4,662	4,654
5.	2017	XXX	XXX	XXX	6,612	6,316
6.	2018	XXX	XXX	XXX	XXX	9,846

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Other

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	4,104	4,213	16	0.4	4,229	103.0	0	0	4,229	103.0
2. 2015	5,803	5,870	19	0.3	5,889	101.5	0	0	5,889	101.5
3. 2016	6,244	4,654	31	0.7	4,685	75.0	0	0	4,685	75.0
4. 2017	7,740	6,337	(114)	(1.8)	6,223	80.4	(21)	(1)	6,201	80.1
5. 2018	9,022	8,862	(2,159)	(24.4)	6,703	74.3	984	28	7,715	85.5

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(\$000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	85,316	84,004	83,520	83,376	83,376
2.	2014	794,944	877,635	877,984	877,506	877,083
3.	2015	XXX	802,729	894,308	894,556	894,519
4.	2016	XXX	XXX	829,395	934,568	934,699
5.	2017	XXX	XXX	XXX	860,545	990,291
6.	2018	XXX	XXX	XXX	XXX	775,193

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2014	2 2015	3 2016	4 2017	5 2018
1.	Prior	(210,068)	84,004	83,520	83,376	83,376
2.	2014	882,811	879,997	877,986	877,506	877,124
3.	2015	XXX	903,157	894,995	894,555	894,521
4.	2016	XXX	XXX	941,712	936,395	934,869
5.	2017	XXX	XXX	XXX	1,005,251	990,571
6.	2018	XXX	XXX	XXX	XXX	868,705

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2014	1,017,424	877,083	28,791	3.3	905,874	89.0	41	1	905,916	89.0
2. 2015	1,034,467	894,519	25,580	2.9	920,099	88.9	1	0	920,100	88.9
3. 2016	1,062,878	934,699	29,507	3.2	964,206	90.7	169	4	964,379	90.7
4. 2017	1,139,542	990,291	34,121	3.4	1,024,412	89.9	279	7	1,024,698	89.9
5. 2018	991,740	784,333	25,344	3.2	809,677	81.6	84,373	2,068	896,118	90.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves	3,870	739	780	2,125	226	0			
2. Additional policy reserves (a)	159,903						159,903		
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including \$) for investment income	103,160,706	41,479,262	0	0	0	61,681,444			
5. Aggregate write-ins for other policy reserves	324,814	324,741	0	0	0	0	73	0	0
6. Totals (gross)	103,649,293	41,804,742	780	2,125	226	61,681,444	159,976	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	103,649,293	41,804,742	780	2,125	226	61,681,444	159,976	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	68,630	50,843	(3)			17,790			
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	68,630	50,843	(3)	0	0	17,790	0	0	0
13. Reinsurance ceded	0								
14. Totals (Net)(Page 3, Line 7)	68,630	50,843	(3)	0	0	17,790	0	0	0
DETAILS OF WRITE-INS									
0501. Risk Adjustment Redetermination	324,814	324,741					73		
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	324,814	324,741	0	0	0	0	73	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$159,903 premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$ for occupancy of own building)	515,979	548,716	491,838	664	1,557,197
2. Salary, wages and other benefits	13,532,482	10,238,532	21,139,104	28,543	44,938,660
3. Commissions (less \$ ceded plus \$ assumed)	0	0	9,639,993	0	9,639,993
4. Legal fees and expenses	3,070	1,121	1,637,328	2,211	1,643,730
5. Certifications and accreditation fees					0
6. Auditing, actuarial and other consulting services	2,501,561	358,971	14,286,049	19,290	17,165,871
7. Traveling expenses	96,225	29,456	551,776	745	678,203
8. Marketing and advertising	69,460	3,029	1,863,873	2,517	1,938,879
9. Postage, express and telephone	348,490	324,845	1,591,104	2,148	2,266,587
10. Printing and office supplies	41,038	5,677	90,317	122	137,154
11. Occupancy, depreciation and amortization					0
12. Equipment	38,781	4,384	251,025	339	294,529
13. Cost or depreciation of EDP equipment and software	1,116,880	50,903	167,749	226	1,335,758
14. Outsourced services including EDP, claims, and other services	3,129,942	3,432,940	3,229,457	4,361	9,796,700
15. Boards, bureaus and association fees	17,320	133	349,701	472	367,627
16. Insurance, except on real estate	0	0	277,413	375	277,787
17. Collection and bank service charges	0	173	251,394	339	251,907
18. Group service and administration fees	3,469,306	1,024,429	2,054,475	2,774	6,550,984
19. Reimbursements by uninsured plans	(11,867,136)	(6,518,801)	(22,174,036)	0	(40,559,973)
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses	11,115	1,142	721,079	974	734,309
22. Real estate taxes	0	0	58,502	0	58,502
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	316	11	3,238,830	0	3,239,157
23.2 State premium taxes	0	0	7,979,875	0	7,979,875
23.3 Regulatory authority licenses and fees	5,835	512	57,943	0	64,290
23.4 Payroll taxes	803,915	631,247	1,282,484	0	2,717,646
23.5 Other (excluding federal income and real estate taxes)	0	0	19,146,751	0	19,146,751
24. Investment expenses not included elsewhere	0	0	0	263,345	263,345
25. Aggregate write-ins for expenses	29,219	405,670	1,072,173	1,448	1,508,510
26. Total expenses incurred (Lines 1 to 25)	13,863,798	10,543,091	69,256,197	330,891	(a) .....93,993,977
27. Less expenses unpaid December 31, current year ..	0	2,080,096	4,395,489	0	6,475,585
28. Add expenses unpaid December 31, prior year		2,627,729	3,957,937		6,585,666
29. Amounts receivable relating to uninsured plans, prior year			34,475,091		34,475,091
30. Amounts receivable relating to uninsured plans, current year			37,663,010		37,663,010
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	13,863,798	11,090,724	72,006,564	330,891	97,291,977
DETAILS OF WRITE-INS					
2501. Miscellaneous expenses	29,219	405,670	1,072,173	1,448	1,508,510
2502.					
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	29,219	405,670	1,072,173	1,448	1,508,510

(a) Includes management fees of \$103,776,892 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. government bonds	(a) .....639,855	.....500,198
1.1	Bonds exempt from U.S. tax	(a)	
1.2	Other bonds (unaffiliated)	(a) .....8,234,830	.....8,168,002
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5	Contract Loans		
6	Cash, cash equivalents and short-term investments	(e) .....619,282	.....637,020
7	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income .....	.....28,149	.....28,068
10.	Total gross investment income	9,522,116	9,333,288
11.	Investment expenses		(g) .....330,891
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g) .....0
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....0
16.	Total deductions (Lines 11 through 15) .....		.....330,891
17.	Net investment income (Line 10 minus Line 16)		9,002,397
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income .....	.....7,246	.....7,246
0902.	Securities Lending .....	.....20,903	.....20,822
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	28,149	28,068
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page .....		.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$588,352 accrual of discount less \$765,640 amortization of premium and less \$109,430 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$69,611 accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$. investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	(366,054)	.....0	(366,054)	.....0	.....0
1.1	Bonds exempt from U.S. tax .....			.....0		
1.2	Other bonds (unaffiliated) .....	.....736,050	.....0	.....736,050	.....(125,991)	.....0
1.3	Bonds of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.1	Preferred stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.11	Preferred stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
2.2	Common stocks (unaffiliated) .....	.....0	.....0	.....0	.....0	.....0
2.21	Common stocks of affiliates .....	.....0	.....0	.....0	.....0	.....0
3.	Mortgage loans .....		.....0	.....0	.....0	.....0
4.	Real estate .....		.....0	.....0		.....0
5.	Contract loans .....			.....0		
6.	Cash, cash equivalents and short-term investments .....	.....(576)		.....(576)		
7.	Derivative instruments .....			.....0		
8.	Other invested assets .....		.....(120,000)	.....(120,000)	.....(17,479)	.....0
9.	Aggregate write-ins for capital gains (losses) .....	.....1,288,835	.....0	.....1,288,835	.....0	.....0
10.	Total capital gains (losses)	1,658,255	(120,000)	1,538,255	(143,470)	0
DETAILS OF WRITE-INS						
0901.	Deferred gain on sale-leaseback transaction .....	.....1,288,835		.....1,288,835		
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0	.....0	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	1,288,835	0	1,288,835	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company	0	0	0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	2,051,429	2,851,318	799,889
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers	0	0	0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans	37,011,716	1,987,932	(35,023,784)
18.1 Current federal and foreign income tax recoverable and interest thereon	0	0	0
18.2 Net deferred tax asset	0	2,201,993	2,201,993
19. Guaranty funds receivable or on deposit	0	0	0
20. Electronic data processing equipment and software			0
21. Furniture and equipment, including health care delivery assets	3,980,740	2,708,136	(1,272,604)
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates		0	0
24. Health care and other amounts receivable	35,063,593	7,058,490	(28,005,103)
25. Aggregate write-ins for other than invested assets	715,651	1,266,195	550,544
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	78,823,129	18,074,063	(60,749,066)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	78,823,129	18,074,063	(60,749,066)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaid Expenses	679,614	643,069	(36,545)
2502. State Tax Recoverable	0	445,091	445,091
2503. Miscellaneous Receivables	36,037	178,035	141,998
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	715,651	1,266,195	550,544

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	22,336	2,965	2,780	2,489	2,821	33,632
2. Provider Service Organizations		0	0	0	0	0
3. Preferred Provider Organizations	34,566	68,396	68,321	69,299	69,614	827,016
4. Point of Service	55,760	49,929	49,688	49,716	49,500	596,748
5. Indemnity Only	9,732	29,583	29,898	30,366	30,644	359,868
6. Aggregate write-ins for other lines of business.....	259,617	207,381	208,169	213,923	209,180	2,495,398
7. Total	382,011	358,254	358,856	365,793	361,759	4,312,662
DETAILS OF WRITE-INS						
0601. Consumer Driven Health Products	11,863	10,623	10,778	11,043	11,259	131,167
0602. Dental	22,703	22,957	22,626	21,800	21,768	268,594
0603. Vision	136,883	141,326	141,734	142,686	142,668	1,700,906
0698. Summary of remaining write-ins for Line 6 from overflow page	88,168	32,475	33,031	38,394	33,485	394,731
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	259,617	207,381	208,169	213,923	209,180	2,495,398

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of Anthem Health Plans of Maine, Inc. (the “Company”) have been prepared in conformity with the National Association of Insurance Commissioners’ (“NAIC”) *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* (“NAIC SAP”), subject to any deviations prescribed or permitted by the Maine Bureau of Insurance (“Bureau”).

A reconciliation of the Company’s net income (loss) and capital and surplus between NAIC SAP and practices prescribed and permitted by the Bureau is shown below:

	SSAP #	F/S Page	F/S Line #	2018	2017
<u>Net Income</u>					
(1) Anthem Health Plans of Maine state basis (Page 4, Line 32, Columns 2 & 3)	XXX	XXX	XXX	\$ 58,641,784	\$ 37,741,037
(2) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
(3) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ 58,641,784	\$ 37,741,037
<u>Surplus</u>					
(5) Anthem Health Plans of Maine state basis (Page 3, Line 33, Columns 3 & 4)	XXX	XXX	XXX	\$120,058,373	\$165,385,260
(6) State Prescribed Practices that is an increase/(decrease) from NAIC SAP:				—	—
(7) State Permitted Practices that is an increase/(decrease) from NAIC SAP:				—	—
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$120,058,373	\$165,385,260

B. Use of Estimates in the Preparation of the Financial Statements

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. During 2018, the Company had a change in estimate relating to the Tax Cuts and Jobs Act. See Note 9C for details.

C. Accounting Policies

Health premiums are earned over the term of the related insurance policies and reinsurance contracts. Premiums written are reported net of excess loss reinsurance ceded and experience rating refunds. Unearned premium reserves are established to cover the unexpired portion of premiums written, and are computed by pro rata methods for direct business and based on reports received from ceding companies for reinsurance. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Bureau. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, including underwriting expenses, are charged to operations as incurred.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.
NOTES TO FINANCIAL STATEMENTS

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year and more than three months at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) The Company has no investments in common stocks of unaffiliated companies.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no mortgage loans - real estate.
- (6) Loan-backed securities are stated at amortized cost. Prepayment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has ownership interests in unaffiliated joint ventures. The Company reports these interests as Other Long-Term Invested Assets on Schedule BA. The Company carries these investments at their underlying audited GAAP equity value at December 31, 2018. The Company reports the net change in the equity, excluding changes in capital contributions, as a change in net unrealized capital gains and losses.
- (9) The Company has no derivative instruments.
- (10) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (11) Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) The Company recognizes losses from other-than-temporary impairment ("OTTI") of investments in accordance with Statements of Standard Accounting Practice ("SSAP") No. 26R, *Bonds*.
- (14) Pharmacy rebate receivables are recorded when earned based upon actual rebate receivables billed and an estimate of receivables based upon current utilization of specific pharmaceuticals and provider contract terms.
- (15) Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.
- (16) Premium under the Federal Employee Program ("FEP") is earned when chargeable benefit costs, allowable expenses and retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims but not reported and claims adjustment expenses that are due from the Office of Personnel Management ("OPM"), when the claims are ultimately paid.
- (17) A discount rate is applied to guaranty fund liabilities and assets related to assessments from insolvencies of entities that wrote long-term care contracts.

D. Going Concern

Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.
NOTES TO FINANCIAL STATEMENTS

2. Accounting Changes and Corrections of Errors

There were no accounting changes or corrections of errors during the years ended December 31, 2018 and 2017.

3. Business Combinations and Goodwill

A. Statutory Purchase Method	Not applicable.
B. Statutory Merger	Not applicable.
C. Assumption Reinsurance	Not applicable.
D. Impairment Loss	Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2018 or 2017.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company did not have investments in mortgage loans at December 31, 2018 or 2017.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2018 or 2017.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2018 or 2017.

D. Loan-Backed Securities

- (1) Prepayment assumptions for single-class and multi-class mortgage-backed and asset-backed securities were obtained from broker-dealer survey values or internal estimates. The Company used various third-party pricing sources in determining the market value of its loan-backed securities.
- (2) The Company did not recognize OTTI on its loan-backed securities during the years ended December 31, 2018 and 2017.
- (3) The Company did not recognize OTTI on its loan-backed securities at December 31, 2018 and 2017.
- (4) The Company had no impaired securities for which an OTTI had not been recognized in earnings as a realized loss at December 31, 2018 and 2017.
- (5) The Company had no impaired loan-backed securities at December 31, 2018 and 2017.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (1) The Company did not enter into repurchase agreements at December 31, 2018 or 2017.
- (2) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers based on, among other things, their creditworthiness in exchange for collateral initially equal to at least 102% of the market value of the loaned securities. The Company receives the collateral in cash or securities, and if cash is received the cash collateral is thereafter invested according to guidelines of the Company's Investment Policy.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.
NOTES TO FINANCIAL STATEMENTS

(3) Collateral Received

a. Aggregate amount collateral received

	<u>Fair Value</u>
1. Securities Lending	
(a) Open	\$ 11,919,211
(b) 30 days or less	—
(c) 31 to 60 days	—
(d) 61 to 90 days	—
(e) Greater than 90 days	—
(f) Sub-total	<u>\$ 11,919,211</u>
(g) Securities received	—
(h) Total collateral received	<u><u>\$ 11,919,211</u></u>

2. Dollar repurchase agreement - Not applicable.

b. The fair value of that collateral and of the portion of that collateral that it has sold or repledged	<u><u>\$ 11,919,211</u></u>
--	-----------------------------

c. The Company receives cash collateral in an amount in excess of fair value of the securities lent. The Company reinvests the cash collateral according to guidelines of the Company's Investment Policy.

(4) The Company does not have any securities lending transactions administered by an affiliated agent.

(5) Collateral Reinvestment

a. Aggregate amount collateral reinvested

	<u>Amortized Cost</u>	<u>Fair Value</u>
1. Securities Lending		
(a) Open	\$ —	\$ —
(b) 30 days or less	2,822,361	2,823,874
(c) 31 to 60 days	2,588,713	2,591,123
(d) 61 to 90 days	1,052,608	1,052,674
(e) 91 to 120 days	908,567	908,777
(f) 121 to 180 days	2,371,138	2,370,986
(g) 181 to 365 days	2,171,696	2,171,777
(h) 1 to 2 years	—	—
(i) 2 to 3 years	—	—
(j) Greater than 3 years	—	—
(k) Sub-total	<u>\$ 11,915,083</u>	<u>\$ 11,919,211</u>
(l) Securities received	—	—
(m) Total collateral reinvested	<u><u>\$ 11,915,083</u></u>	<u><u>\$ 11,919,211</u></u>

2. Dollar repurchase agreement - Not applicable.

b. Not applicable.

(6) Not applicable.

(7) Not applicable.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into repurchase agreement transactions accounted for as secured borrowing at December 31, 2018 or 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.
NOTES TO FINANCIAL STATEMENTS

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

The Company did not enter into reverse repurchase agreement transactions accounted for as a secured borrowing at December 31, 2018 or 2017.

H. Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into repurchase agreement transactions accounted for as a sale at December 31, 2018 or 2017.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

The Company did not enter into reverse repurchase agreement transactions accounted for as a sale at December 31, 2018 and 2017.

J. Real Estate

- (1) The Company did not recognize any impairment losses on its investment real estate at December 31, 2018 or 2017.
- (2) On July 30, 2015, the Company sold its real estate investment in its office building located at 2 Gannett Drive in South Portland, Maine to WPME001, LLC a Maine limited liability company, for \$25,800,000. Concurrently, the Company leased back the 2 Gannett Drive in South Portland, Maine office building under a 12 year lease agreement with four optional 5-year renewal periods. In accordance with statutory accounting principles, the Company accounted for the transaction as a sale-leaseback settled entirely in cash, and recognized the entire gain directly to special surplus funds. The recognized gain to special surplus funds of \$15,466,022 is being amortized to unassigned surplus on a straight-line basis over the 12 year life of the lease. This amount will be reported as a realized capital gain in each year in the statements of revenue and expenses. The amount of realized gain in the statements of revenue and expenses recognized was \$1,288,835 and \$1,288,835 in 2018 and 2017, respectively.
- (3) Not applicable.
- (4) The Company did not engage in retail land sales operations during 2018 or 2017.
- (5) Not applicable.

K. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2018 or 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	1	2	3	4	5	6	7
	Total Gross (Admitted & Nonadmitted) Restricted from Current Year	Total Gross (Admitted & Nonadmitted) Restricted from Prior Year	Increase/ (Decrease) (1 minus 2)	Total Current Year Nonadmitted Restricted	Total Current Year Admitted Restricted (1 minus 4)	Gross Admitted and Nonadmitted Restricted to Total Assets (a)	Admitted Restricted to Total Admitted Assets (b)
a. Subject to contractual obligation for which liability is not shown	\$ —	\$ —	—	\$ —	\$ —	0.00%	0.00%
b. Collateral held under security lending agreements	11,915,083	5,636,270	6,278,813	—	\$ 11,915,083	2.08%	2.41%
c. Subject to repurchase agreements	—	—	—	—	\$ —	0.00%	0.00%
d. Subject to reverse repurchase agreements	—	—	—	—	\$ —	0.00%	0.00%
e. Subject to dollar repurchase agreements	—	—	—	—	\$ —	0.00%	0.00%
f. Subject to dollar reverse repurchase agreements	—	—	—	—	\$ —	0.00%	0.00%
g. Placed under option contracts	—	—	—	—	\$ —	0.00%	0.00%
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock	—	—	—	—	\$ —	0.00%	0.00%
i. FHLB capital stock	—	—	—	—	\$ —	0.00%	0.00%
j. On deposit with states	725,560	751,545	(25,985)	—	\$ 725,560	0.13%	0.15%
k. On deposit with other regulatory bodies	—	—	—	—	\$ —	0.00%	0.00%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	\$ —	0.00%	0.00%
m. Pledged as collateral not captured in other categories	—	—	—	—	\$ —	0.00%	0.00%
n. Other restricted assets	—	—	—	—	\$ —	0.00%	0.00%
o. Total Restricted Assets	\$ 12,640,643	\$ 6,387,815	\$ 6,252,828	\$ —	\$ 12,640,643	2.21%	2.56%

(a) Column 1 divided by Asset Page, Column 1, Line 28

(b) Column 5 divided by Asset Page, Column 3, Line 28

(2) Not applicable.

(3) Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

(4) Collateral Received and Reflected as Assets Within the Reporting Entity’s Financial Statements

Collateral Assets	1	2	3	4
	Book/ Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted*)	% of BACV to Total Admitted Assets **
a. Cash	\$ —	\$ —	—%	—%
b. Schedule D, Part 1	—	—	—	—
c. Schedule D, Part 2 Section 1	—	—	—	—
d. Schedule D, Part 2 Section 2	—	—	—	—
e. Schedule B	—	—	—	—
f. Schedule A	—	—	—	—
g. Schedule BA, Part 1	—	—	—	—
h. Schedule DL, Part 1	11,915,083	11,919,211	2.08	2.41
i. Other	—	—	—	—
j. Total Collateral Assets (a+b+c+d+e+f+g+h+i)	\$ 11,915,083	\$ 11,919,211	2.08%	2.41%

* Column 1 divided by Asset Page, Line 26 (Column 1)

** Column 1 divided by Asset Page, Line 26 (Column 3)

	<u>1</u>	<u>2</u>
	<u>Amount</u>	<u>% of Liability to Total Liabilities *</u>
k. Recognized Obligation to Return Collateral Asset	\$ 11,915,083	3.187%

* Column 1 divided by Liability Page, Line 24 (Column 3)

M. Working Capital Finance Investments

The Company did not have any working capital finance investments at December 31, 2018 and 2017.

N. Offsetting and Netting of Assets and Liabilities

The Company did not have any offsetting or netting of assets and liabilities at December 31, 2018 and 2017.

O. Structured Notes

The Company did not have any structured notes at December 31, 2018 and 2017.

P. 5GI Securities

The Company has no 5GI Securities as of December 31, 2018 and 2017.

Q. Short Sales

The Company did not have any short sales at December 31, 2018 and 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

R. Prepayment Penalty and Acceleration Fees

	General Account
(1) Number of CUSIPs	2
(2) Aggregate Amount of Investment Income \$	55,119

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at December 31, 2018 or 2017.
- B. Not applicable.

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.
- B. At December 31, 2018 and 2017 there was no nonadmitted accrued investment income.

8. Derivative Instruments

The Company has no derivative instruments.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

9. Income Taxes

A. The components of net deferred tax assets (liabilities):

(1) The components of net deferred tax asset (liabilities) are as follows:

12/31/2018		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 21,652,248	\$ — \$ 21,652,248
(b) Statutory Valuation Allowance Adjustments	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	21,652,248	— 21,652,248
(d) Deferred Tax Assets Nonadmitted	—	—
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	21,652,248	— 21,652,248
(f) Deferred Tax Liabilities	16,022,815	27,307 16,050,122
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 5,629,433	\$ (27,307) \$ 5,602,126

12/31/2017		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 9,736,665	\$ 2,221 \$ 9,738,886
(b) Statutory Valuation Allowance Adjustments	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	9,736,665	2,221 9,738,886
(d) Deferred Tax Assets Nonadmitted	2,201,993	— 2,201,993
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	7,534,672	2,221 7,536,893
(f) Deferred Tax Liabilities	49,460	— 49,460
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 7,485,212	\$ 2,221 \$ 7,487,433

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 11,915,583	\$ (2,221) \$ 11,913,362
(b) Statutory Valuation Allowance Adjustments	—	—
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	11,915,583	(2,221) 11,913,362
(d) Deferred Tax Assets Nonadmitted	(2,201,993)	— (2,201,993)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	14,117,576	(2,221) 14,115,355
(f) Deferred Tax Liabilities	15,973,355	27,307 16,000,662
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ (1,855,779)	\$ (29,528) \$ (1,885,307)

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

(2) The amount of admitted adjusted gross deferred tax assets under each component of SSAP No. 101, *Income Taxes* (“SSAP No. 101”) are as follows:

12/31/2018			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 10,426,269	\$ —	\$ 10,426,269
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	8,949,488	—	8,949,488
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	8,949,488	—	8,949,488
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	17,168,437
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	2,276,491	—	2,276,491
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 21,652,248	\$ —	\$ 21,652,248

12/31/2017			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 7,485,212	\$ 2,221	\$ 7,487,433
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	—	—	—
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	—	—	—
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	23,684,674
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	49,460	—	49,460
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 7,534,672	\$ 2,221	\$ 7,536,893

Change			
(7)	(8)	(9)	
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total	
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks.	\$ 2,941,057	\$ (2,221)	\$ 2,938,836
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	8,949,488	—	8,949,488
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date.	8,949,488	—	8,949,488
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	(6,516,237)
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	2,227,031	—	2,227,031
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 14,117,576	\$ (2,221)	\$ 14,115,355

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

(3)			
		2018	2017
(a)	Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	530.39%	576.49%
(b)	Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 114,456,247	\$ 157,897,827

(4)		12/31/2018		12/31/2017		Change	
		(1)	(2)	(3)	(4)	(5)	(6)
		Ordinary	Capital	Ordinary	Capital	(Col 1-3) Ordinary	(Col 2-4) Capital

Impact of Tax-Planning Strategies

(a)	Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
1.	Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 21,652,248	\$ —	\$ 9,736,665	\$ 2,221	\$ 11,915,583	\$ (2,221)
2.	Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	—%	—%	—%	—%	0.00%	0.00%
3.	Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	\$ 21,652,248	\$ —	\$ 7,534,672	\$ 2,221	\$ 14,117,576	\$ (2,221)
4.	Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	—%	—%	—%	—%	0.00%	0.00%
(b)	Does the Company’s tax-planning strategies include the use of reinsurance?			Yes		No	X

B. The Company has no unrecognized deferred tax liabilities at December 31, 2018 and 2017.

C. Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	12/31/2018	12/31/2017	(Col 1-2) Change
(1) Current Income Tax			
(a) Federal	\$ (1,619,241)	\$ 18,601,759	\$ (20,221,000)
(b) Foreign	—	—	—
(c) Subtotal	(1,619,241)	18,601,759	(20,221,000)
(d) Federal income tax expense on net capital gains	148,954	609,916	(460,962)
(e) Utilization of capital loss carry-forwards	(15,944)	(99,299)	83,355
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	\$ (1,486,231)	\$ 19,112,376	\$ (20,598,607)

(2) Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 39,173	\$ 137,302	\$ (98,129)
(2) Unearned premium reserve	452,504	338,859	113,645
(3) Policyholder reserves	890,374	1,419,084	(528,710)
(4) Investments	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	722,109	418,856	303,253
(8) Compensation and benefits accrual	107,861	80,071	27,790

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

(9)	Pension accrual	—	—	—
(10)	Receivables - nonadmitted	15,573,258	2,535,913	13,037,345
(11)	Net operating loss carry-forward	—	15,944	(15,944)
(12)	Tax credit carry-forward	—	—	—
(13)	Other (including items <5% of total ordinary tax assets)	—	167	(167)
(14)	Accrued future expenses	1,483,935	2,102,900	(618,965)
(15)	Amortization	27,057	32,891	(5,834)
(16)	Partnership income	—	—	—
(17)	Premium deficiency reserves	33,580	—	33,580
(18)	Prepaid expenses	—	61,625	(61,625)
(19)	Section 467 lease expense	—	—	—
(20)	Personal property tax accrual	—	—	—
(21)	Deferred gain on sale of building	2,322,397	2,593,053	(270,656)
(22)	State income tax liability	—	—	—
(23)	Income from reinsurance contract	—	—	—
(24)	Revenue agent's report adjustment	—	—	—
	(99) Subtotal	21,652,248	9,736,665	11,915,583
(b)	Statutory valuation allowance adjustment	—	—	—
(c)	Nonadmitted	—	2,201,993	(2,201,993)
(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	21,652,248	7,534,672	14,117,576
(e)	Capital:			
(1)	Investments	—	2,221	(2,221)
(2)	Net capital loss carry-forward	—	—	—
(3)	Real estate	—	—	—
(4)	Other (including items <5% of total capital tax assets)	—	—	—
(5)	Partnership investment	—	—	—
(6)	State low income housing credits	—	—	—
(7)	Affiliated investment write-down	—	—	—
	(99) Subtotal	—	2,221	(2,221)
(f)	Statutory valuation allowance adjustment	—	—	—
(g)	Nonadmitted	—	—	—
(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	2,221	(2,221)
(i)	Admitted deferred tax assets (2d + 2h)	\$ 21,652,248	\$ 7,536,893	\$ 14,115,355

(1)	(2)	(3)
12/31/2018	12/31/2017	(Col 1-2) Change

(3) Deferred Tax Liabilities:

(a)	Ordinary			
(1)	Investments	\$ —	\$ —	\$ —
(2)	Fixed assets	—	—	—
(3)	Deferred and uncollected premium	—	—	—
(4)	Policyholder reserves	—	—	—
(5)	Other (including items <5% of total ordinary tax liabilities)	39,282	46,302	(7,020)
(6)	Amortization	—	—	—
(7)	Discount of coordination of benefits	4,968	3,158	1,810
(8)	Guaranty fund assessment	—	—	—
(9)	Business partnership	—	—	—
(10)	Tax reserves per Tax Reform over 8 years	—	—	—
(11)	Oil and gas depletion deduction	—	—	—
(12)	Deferred cost - surplus note	—	—	—
(13)	Prepaid Expenses	15,978,565	—	15,978,565
	(99) Subtotal	16,022,815	49,460	15,973,355
(b)	Capital:			
(1)	Investments	27,307	—	27,307
(2)	Real estate	—	—	—
(3)	Other (including items <5% of total capital tax liabilities)	—	—	—
(4)	Section 166 partial worthlessness	—	—	—

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

(5) Investment partnership income	—	—	—
(99) Subtotal	27,307	—	27,307
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 16,050,122	\$ 49,460	\$ 16,000,662
(4) Net deferred tax assets/liabilities (2i - 3c)	\$ 5,602,126	\$ 7,487,433	\$ (1,885,307)

Preparation of financial statements require management to make estimates and assumptions that affect the amount reported in the financial statements and accompanying notes. Actual results could differ from those estimates. As of December 31, 2017, the Company remeasured certain deferred tax assets and liabilities based on the rates at which they were expected to reverse in the future, which was generally 21%, by recording a provisional net decrease to deferred tax assets and liabilities of \$6,459,616. Upon further analysis of the Tax Cuts and Jobs Act and refinement of calculations during the twelve months ended December 31, 2018, the Company adjusted the provisional amount by \$5,806,725 to \$652,891, which is included as a component of statutory surplus.

D. The Company’s income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 21% for the year ended December 31, 2018, and 35% for the year ended December 31, 2017 as follows:

	2018	2017
Tax expense computed using federal statutory rate	\$ 12,002,666	\$ 19,898,695
ACA health insurer fee	3,864,828	—
Change in nonadmitted assets	(13,313,192)	3,926,056
Tax exempt income and dividend received deduction net of proration	(175,330)	(386,319)
Prior year true-up and adjustments	(5,780,574)	(13,500)
Interest (federal and state income tax)	—	—
Tax settlements and contingencies	6,003,920	—
Intercompany transfers and adjustments	—	—
IMR/AVR tax	—	—
Intercompany dividends	—	—
Valuation allowance	—	—
Tax Cuts and Jobs Act	—	4,262,794
Low income housing tax credits	—	—
National Government Services	—	—
Other, net	25,208	40,737
Total	\$ 2,627,526	\$ 27,728,463
Federal income taxes incurred	\$ (1,486,231)	\$ 19,112,376
Change in net deferred income taxes	4,113,757	8,616,087
Total statutory income taxes	\$ 2,627,526	\$ 27,728,463

E. Operating loss carryforwards:

- (1) The Company has no operating loss carryforwards and no tax credit carryforwards as of December 31, 2018 or 2017.
- (2) The following are income taxes incurred in the current and prior year(s) that will be available for recoupment in the event of future net losses:

	Ordinary	Capital	Total
2018	\$ 6,876,755	\$ 148,954	\$ 7,025,709
2017	3,020,745	609,916	3,630,661
2016	N/A	53,241	53,241

- (3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Service Code as of December 31, 2018 and 2017.

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F. The following companies will be included in the consolidated federal income tax return with their parent Anthem, Inc. (“Anthem”) as of December 31, 2018 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Pursuant to this agreement, the Company has the enforceable right to recoup federal income taxes paid in prior years in the event of future losses, which it may incur, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

American Imaging Management, Inc.	DeCare Dental Networks, LLC
America's 1st Choice of South Carolina, Inc.	DeCare Dental, LLC
America's Health Management Services, Inc.	Designated Agent Company, Inc.
AMERIGROUP Community Care of New Mexico, Inc.	EHC Benefits Agency, Inc.
AMERIGROUP Corporation	Empire HealthChoice Assurance, Inc.
Amerigroup Delaware, Inc.	Empire HealthChoice HMO, Inc.
AMERIGROUP District of Columbia, Inc.	Federal Government Solutions, LLC
Amerigroup Health Plan of Louisiana, Inc.	Freedom Health, Inc.
Amerigroup Health Plan of Oregon, Inc.	Golden West Health Plan, Inc.
Amerigroup Insurance Company	Greater Georgia Life Insurance Company
AMERIGROUP Iowa, Inc.	Health Core, Inc.
Amerigroup Kansas, Inc.	Health Management Corporation
AMERIGROUP Maryland, Inc.	HealthKeepers, Inc.
Amerigroup Michigan, Inc.	HealthLink HMO, Inc.
AMERIGROUP Mississippi, Inc.	HealthLink, Inc.
AMERIGROUP New Jersey, Inc.	HealthLink Insurance Company
AMERIGROUP Ohio, Inc.	HealthPlus HP, LLC
AMERIGROUP Oklahoma, Inc.	HealthSun Blocker Corp. I
Amerigroup Pennsylvania, Inc.	HealthSun Blocker Corp. II
AMERIGROUP Tennessee, Inc.	Healthy Alliance Life Insurance Company
AMERIGROUP Texas, Inc.	HEP AP Holdings, Inc.
Amerigroup Utah, Inc.	Highland Holdco, Inc.
AMERIGROUP Washington, Inc.	HMO Colorado, Inc.
AMGP Georgia Managed Care Company, Inc.	HMO Missouri, Inc.
Anthem Blue Cross Life and Health Insurance Company	Imaging Management Holdings, LLC
Anthem Financial, Inc.	IngenioRx, Inc.
Anthem Health Insurance Company of Nevada	Legato Holdings I, Inc.
Anthem Health Plans of Kentucky, Inc.	Living Complete Technologies, Inc.
Anthem Health Plans of Maine, Inc.	Matthew Thornton Health Plan, Inc.
Anthem Health Plans of New Hampshire, Inc.	National Government Services, Inc.
Anthem Health Plans of Virginia, Inc.	New England Research Institutes, Inc.
Anthem Health Plans, Inc.	Newco Holdings, Inc.
Anthem Holding Corp.	Optimum Healthcare, Inc.
Anthem Insurance Companies, Inc.	Park Square Holdings, Inc.
Anthem Kentucky Managed Care Plan, Inc.	Park Square I, Inc.
Anthem Life & Disability Insurance Company	Park Square II, Inc.
Anthem Southeast, Inc.	Resolution Health, Inc.
Anthem UM Services, Inc.	RightCHOICE Managed Care, Inc.
Anthem, Inc.	Rocky Mountain Hospital and Medical Service, Inc.
Arcus Enterprises, Inc.	SellCore, Inc.
Aspire Health, Inc.	Simply Healthcare Plans, Inc.
Associated Group, Inc.	Southeast Services, Inc.
Blue Cross and Blue Shield of Georgia, Inc.	State Sponsored DM Services, Inc.
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	The Anthem Companies of California, Inc.
Blue Cross Blue Shield of Wisconsin	The Anthem Companies, Inc.
Blue Cross of California	TrustSolutions, LLC

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Blue Cross of California Partnership Plan, Inc.	UNICARE Health Plan of West Virginia, Inc.
CareMore Health Plan	UNICARE Illinois Services, Inc.
CareMore Health Plan of Arizona, Inc.	UNICARE Life & Health Insurance Company
CareMore Health Plan of Nevada, Inc.	UNICARE National Services, Inc.
CareMore Health Plan of Texas, Inc.	UNICARE Specialty Services, Inc.
CareMore Health System	Valus, Inc.
Cerulean Companies, Inc.	WellPoint Behavioral Health, Inc.
Claim Management Services, Inc.	WellPoint California Services, Inc.
Community Care Health Plan of Louisiana, Inc.	WellPoint Dental Services, Inc.
Community Care Health Plan of Nevada, Inc.	WellPoint Health Solutions, Inc.
Community Insurance Company	WellPoint Holding Corporation
Compcare Health Services Insurance Corporation	WellPoint Information Technology Services, Inc.
Crossroads Acquisition Corp	WellPoint Insurance Services, Inc.
DeCare Analytics, LLC	WellPoint Military Care Corporation
DeCare Dental Health International, LLC	

G. The Company has a tax loss contingency related to the 2017 consolidated tax return in which interest was accrued and expensed in the amount of \$478,743. This interest is netted with current federal income tax.

H. Repatriation Transition Tax (RTT)

Not applicable.

I. Alternative Minimum Tax (AMT) Credit

Not applicable.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of the Relationship

The Company is a Maine domiciled stock insurance company and is a wholly-owned subsidiary of ATH Holding Company, LLC (“ATH Holding”), which is a wholly-owned subsidiary of Anthem, a publicly traded company.

The Company’s investments in other long term invested assets, discussed in Note 1, includes investments in BCS Financial Corp. (“BCS FC”) and BCS Insurance Company, (“BCS IC”). BCS FC provides partnership solutions nationwide with health, and life insurance, property and casualty insurance, financial services administration, reinsurance and specialty risk products. BCS IC is a wholly owned subsidiary of BCS FC and which provides innovative insurance solutions nationwide with excess reinsurance, professional liability, cyber and privacy loss, agent and agency errors and omissions, insurance, medical stop loss, limited benefits, student health, travel insurance and issuing carrier products. The Company and other affiliates of Anthem have a material combined ownership interest in BCS FC and BCS IC.

The percentage owned of outstanding shares as of December 31, is as follows:

	2018	2017
BCS FC	—%	—%
BCS IC	—%	0.4%

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B. Significant Transactions for Each Period

The following significant transactions took place between the Company and its affiliates:

The Board of Directors of the Company declared an ordinary dividend in the amount of \$37,000,000 on December 12, 2018. The Company paid the dividend to its parent company, ATH Holding, on December 26, 2018.

The Board of Directors of the Company declared an ordinary dividend in the amount of \$19,000,000 on December 8, 2017. The Company paid the dividend to its parent company, ATH Holding, on December 26, 2017.

C. Intercompany Management and Service Arrangements

There were no changes to the intercompany management and service arrangements, and there were no additional arrangements entered into during 2018 or 2017. The amounts of transactions under such agreements are presented in Schedule Y, Part 2.

D. Amounts Due to or from Related Parties

At December 31, 2018, the Company reported no amounts due from affiliates. At December 31, 2018, the Company reported \$105,320,853 due to affiliates. At December 31, 2017, the Company reported \$16,013,029 due from affiliates. At December 31, 2017, the Company reported no amounts due to affiliates. The receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreement.

Following is a summary of transactions between the Company and various affiliates during the years:

	2018	2017
The Anthem Companies Inc.		
Payroll and Employee Administrative Services	\$ 47,667,517	\$ 48,856,883
Anthem, Inc.		
Federal Income Tax Payments	(60,176)	19,475,501
Corporate Services	25,304,260	24,795,457
ACA Fee Assessment	18,403,944	—
Information Technology Services	7,079,505	7,085,578
Anthem Insurance Companies, Inc.		
Information Technology Services	831	8,534
Corporate/Shared Services	185,449	296,431
WellPoint Information Technology Services, Inc.		
Information Technology Services	3,391,549	3,445,157
Corporate Services	3,227	5,632
Blue Cross of California		
Corporate Services	150,525	219,964
Information Technology Services	2,104	5,970
Anthem Health Plans, Inc.		
Claims Processing	228,552	541,542
Corporate Services	33,951	66,335
Anthem Health Plans of New Hampshire, Inc.		
Customer Service	552	6,484
Corporate Services	15,722	17,105
Anthem Health Plans of Virginia, Inc.		
Information Technology Services	17,832	23,189
Corporate Services	52,329	88,150
Costs allocated from various affiliates not listed above	1,239,043	1,627,278
Total Schedule Y, Part 2, Column 8	\$ 103,716,716	\$ 106,565,190

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E. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

F. Management and Service Contracts and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Costs include expenses such as salaries, employee benefits, communications, advertising, consulting services, rent, utilities, billing, accounting, underwriting, and product development, which support the Company's operations. These costs are allocated based on various utilization statistics.

The Company is party to a cash concentration agreement with its affiliated companies. Under this agreement, any of the Company's affiliates may be designated as a cash manager to handle the collection and/or payment of funds on behalf of the Company. Conversely, the Company may be designated as a cash manager to handle the collection and/or payment of funds on behalf of its affiliates. Cash services covered under this agreement include the collection of premiums and other revenue, the collection of benefit and administrative expense reimbursements, the payment of policy benefits, payroll expense, general and administrative expense, and accounts payable disbursements.

G. Nature of Control Relationships that Could Affect Operations or Financial Position

ATH Holding owns all outstanding shares of the Company. The Company's ultimate parent is Anthem, Inc.

H. Amount Deducted for Investment in Upstream Company

The Company does not own shares of upstream intermediate entities or Anthem.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

The Company does not have investments in affiliates greater than 10% of admitted assets.

J. Write-down for Impairments of Investments in Subsidiaries, Controlled or Affiliated ("SCA") Companies

Not applicable.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investment in Downstream Non-insurance Holding Companies

The Company does not have investments in downstream non-insurance holding companies.

M. All SCA Investments

The Company has no SCA Investments.

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N. Investment in Insurance SCAs

The Company does not have investments in Insurance SCAs.

O. SCA Loss Tracking

The Company does not have losses on investments in Insurance SCAs and/or joint ventures, partnerships or LLCs.

11. Debt

A. Capital Notes and Other Debt

The Company had no capital notes or other debt outstanding at December 31, 2018 and 2017.

B. FHLB (Federal Home Loan Bank) Agreements

The Company had no FHLB agreements outstanding at December 31, 2018 and 2017.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

A. Defined Benefit Plan

Not applicable - See Note 12G.

B. Not applicable - See Note 12G.

C. Not applicable - See Note 12G.

D. Not applicable - See Note 12G.

E. Defined Contribution Plans

Not applicable - See Note 12G.

F. Multiemployer Plans

The Company does not participate in a multiemployer plan.

G. Consolidated/Holding Company Plans

The Company participates in frozen non-contributory defined benefit pension plans sponsored by ATH Holding, covering most employees of Anthem and its subsidiaries. ATH Holding allocates a share of the total accumulated costs of the plans to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under these plans.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding, providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

The Company participates in a nonqualified deferred compensation plan sponsored by Anthem which covers certain employees once the participant reaches the maximum contribution amount for the Anthem 401(k) Plan (the "401(k) Plan"). The deferred amounts are payable according to the terms and subject to the conditions of the deferred compensation

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plan. Anthem allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees subject to the deferred compensation plan. The Company has no legal obligation for benefits under this plan.

The Company participates in the 401(k) Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of this plan to the Company based on the number of allocated employees. The Company has no legal obligation for benefits under this plan.

During 2018 and 2017, the Company was allocated the following costs or (credits) for these retirement benefits:

	2018	2017
Defined benefit pension plan	\$ (252,743)	\$ (304,904)
Postretirement medical benefit plan	(40,963)	22,305
Deferred compensation plan	29,071	29,298
Defined contribution plan	1,011,324	1,018,607

H. Post Employment Benefits and Compensated Absences

Not applicable

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) Outstanding Shares

As of December 31, 2018, the Company has 2,500 shares of \$1,000 par value common stock authorized, issued and outstanding.

(2) Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

Under Maine law, the Company is limited in the amount of dividends that can be declared without regulatory approval. The Superintendent of Insurance must approve any dividend that, together with all dividends declared during the preceding twelve months, exceeds the greater of the net gain from operations for the twelve-month period ending December 31 of the preceding year or 10% of the Company’s surplus to policyholders as of December 31 of the preceding year as long as unassigned surplus is positive. Also, any dividend paid from other than unassigned funds will need the approval of the Superintendent of Insurance.

(4) Dividends Paid

See Footnote 10B.

(5) Maximum Ordinary Dividend During 2019

Within the limitations of (3) above, the Company may not pay dividends during 2019 without prior approval.

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(6) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2018.

(7) Mutual Surplus Advances

Not applicable.

(8) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2018.

(9) Changes in Special Surplus Funds

The change in balances of special surplus funds from the prior year are due to changes in the amounts segregated for the estimated Affordable Care Act (“ACA”) health insurer fee as well as the deferred gain on the Company’s sale-leaseback transaction. The annual fee under section 9010 of the ACA was fully expensed for 2018. The insurer fee was suspended for 2019.

(10) Changes in Unassigned Funds

The portion of unassigned funds represented by cumulative unrealized gains and losses was (\$390,599) at December 31, 2018.

(11) Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

(12) Restatement due to Prior Quasi-reorganizations

The Company had no restatements due to prior quasi-reorganizations.

(13) Quasi-reorganizations over Prior 10 Years

The Company has not been involved in a quasi-reorganization during the past 10 years.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company had no contingent commitments at December 31, 2018 or 2017.

B. Assessments

- (1) The Company is subject to guaranty fund and other assessments by the state(s) in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued either at the time of the assessment or at the time the losses are incurred.

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(2) Assets Recognized Reconciliation

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$	220,481
b. Decreases current year:		
Policy surcharges collected		—
Policy surcharges charged off		—
Premium tax offset applied		—
c. Increases current year:		
Policy surcharges recognized		—
Premium tax offset recognized		—
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$	220,481

(3) Guaranty Fund Liabilities and Assets Related to Insolvencies of Entities That Wrote Long-Term Care Contracts

- a. Discount Rate Applied 3.5%
- b. The Undiscounted and Discounted Amount of the Guaranty Fund Assessments and Related Assets by Insolvency:

Name of the Insolvency	Guaranty Fund Assessment		Related Assets	
	Undiscounted	Discounted	Undiscounted	Discounted
Penn Treaty Network America Insurance Company and its subsidiary, American Network Insurance Company (collectively “Penn Treaty”)	\$ 272,124	\$ 189,026	\$ 267,266	\$ 220,481

- c. Number of Jurisdictions, Ranges of Years Used to Discount and Weighted Average Number of Years of the Discounting Time Period for Payables and Recoverables by Insolvency:

Name of the Insolvency	Payables			Recoverables		
	Number of Jurisdictions	Range of Years	Weighted Average Number of Years	Number of Jurisdictions	Range of Years	Weighted Average Number of Years
Penn Treaty	1	1-20	11	1	1-26	9.0

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2018 or 2017.

D. Claims-Related Extra Contractual Obligation and the Bad Faith Losses Stemming From Lawsuits

Not applicable.

E. Joint and Several Liabilities

Not applicable.

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F. All Other Contingencies

Guaranty fund assessments

The National Organization of Life & Health Insurance Guaranty Associations, or NOLHGA, is a voluntary organization consisting of the state life and health insurance guaranty associations located throughout the U.S. Such associations, working together with NOLHGA, provide a safety net for their state's policyholders, ensuring that they continue to receive coverage, subject to state maximum limits, even if their insurer is declared insolvent. In March 2017, long term care insurance writers Penn Treaty Network America Insurance Company and its subsidiary American Network Insurance Company, (collectively "Penn Treaty"), were ordered to be liquidated by the Pennsylvania state court, which had jurisdiction over the Penn Treaty rehabilitation proceeding. The Company and other insurers will be obligated to pay a portion of their policyholder claims through state guaranty association assessments in future periods. At December 31, 2017, the Company estimated its portion of these net assessments for the insolvency of Penn Treaty to approximate \$356,171 and recorded the estimate as part of general administrative expenses. Payment of the assessments will be largely recovered through premium tax credits over future years.

Litigation and regulatory proceedings

Blue Cross Blue Shield Antitrust Litigation

Anthem is a defendant in multiple lawsuits that were initially filed in 2012 against the BCBSA and Blue Cross and/or Blue Shield licensees, or Blue plans, across the country. The cases were consolidated into a single multi-district proceeding captioned *In re Blue Cross Blue Shield Antitrust Litigation* that is pending in the United States District Court for the Northern District of Alabama, or the Court. Generally, the suits allege that the BCBSA and the Blue plans have conspired to horizontally allocate geographic markets through license agreements, best efforts rules that limit the percentage of non-Blue revenue of each plan, restrictions on acquisitions rules governing the BlueCard and National Accounts programs and other arrangements in violation of the Sherman Antitrust Act, or Sherman Act, and related state laws. The cases were brought by two putative nationwide classes of plaintiffs, health plan subscribers and providers, and actions filed in Alabama, Arkansas, California, Florida, Hawaii, Illinois, Indiana, Kansas, Kansas City, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Hampshire, North Carolina, North Dakota, Oklahoma, Pennsylvania, South Dakota, Rhode Island, South Carolina, Tennessee, Texas, Vermont and Virginia have been consolidated into the multi-district proceeding.

In response to cross motions for partial summary judgment by plaintiffs and defendants, the Court issued an order in April 2018 determining that the defendants' aggregation of geographic market allocations and output restrictions are to be analyzed under a per se standard of review, and the BlueCard program and other alleged Section 1 Sherman Act violations are to be analyzed under the rule of reason standard of review. The Court also found that there remain genuine issues of material fact as to whether defendants operate as a single entity with regard to the enforcement of the Blue Cross Blue Shield trademarks. In June 2018, in response to a motion filed by the defendants, the Court certified its April order for interlocutory appeal to the United States Court of Appeals for the Eleventh Circuit, or the Eleventh Circuit. Also in June 2018, the defendants filed, with the Eleventh Circuit Court of Appeals, a petition for permission to appeal the April order, which Plaintiffs opposed. In December 2018, the Eleventh Circuit denied the petition. No dates have been set for either the final pretrial conferences or trials in these actions. Anthem intends to vigorously defend these suits; however, their ultimate outcome cannot be presently determined.

Express Scripts, Inc. Pharmacy Benefit Management Litigation

In March 2016, Anthem filed a lawsuit against Express Scripts, Inc., or Express Scripts, its vendor for pharmacy benefit management, or PBM, services, captioned *Anthem, Inc. v. Express Scripts, Inc.*, in the U.S. District Court for the Southern District of New York. The

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lawsuit seeks to recover over \$14,800,000,000 in damages for pharmacy pricing that is higher than competitive benchmark pricing under the agreement between the parties, or PBM Agreement, over \$158,000,000 in damages related to operational breaches, as well as various declarations under the PBM Agreement between the parties, including that Express Scripts: (i) breached its obligation to negotiate in good faith and to agree in writing to new pricing terms; (ii) is required to provide competitive benchmark pricing to us through the term of the PBM Agreement; (iii) has breached the PBM Agreement and that can terminate the PBM Agreement; and (iv) is required under the PBM Agreement to provide post-termination services, at competitive benchmark pricing, for one year following any termination.

Express Scripts has disputed the contractual claims and is seeking declaratory judgments: (i) regarding the timing of the periodic pricing review under the PBM Agreement; (ii) that it has no obligation to ensure that we receive any specific level of pricing, that we have no contractual right to any change in pricing under the PBM Agreement and that its sole obligation is to negotiate proposed pricing terms in good faith; and (iii) that we do not have the right to terminate the PBM Agreement. In the alternative, Express Scripts claims that we have been unjustly enriched by its payment of \$4,675,000,000 at the time of the PBM Agreement. In March 2017, the court granted the motion to dismiss Express Scripts' counterclaims for (i) breach of the implied covenant of good faith and fair dealing, and (ii) unjust enrichment with prejudice. The only remaining claims are for breach of contract and declaratory relief. Anthem intends to vigorously pursue the claims and defend against any counterclaims, which Anthem believes are without merit; however, the ultimate outcome cannot be presently determined.

ERISA Litigation

Anthem is a defendant in a class action lawsuit that was initially filed in June 2016 against Anthem, Inc. and Express Scripts, which has been consolidated into a single multi-district lawsuit captioned *In Re Express Scripts/Anthem ERISA Litigation*, in the U.S. District Court for the Southern District of New York. The consolidated complaint was filed by plaintiffs against Express Scripts and us on behalf of all persons who are participants in or beneficiaries of any ERISA or non-ERISA healthcare plan from December 1, 2009 to the present in which we provided prescription drug benefits through the PBM Agreement with Express Scripts and paid a percentage based co-insurance payment in the course of using that prescription drug benefit. The plaintiffs allege that Anthem breached its duties, either under ERISA or with respect to the implied covenant of good faith and fair dealing implied in the health plans, (i) by failing to adequately monitor Express Scripts' pricing under the PBM Agreement and (ii) by placing our own pecuniary interest above the best interests of our insureds by allegedly agreeing to higher pricing in the PBM Agreement in exchange for the purchase price for its NextRx PBM business, and (iii) with respect to the non-ERISA members, by negotiating and entering into the PBM Agreement with Express Scripts that was allegedly detrimental to the interests of such non-ERISA members. Plaintiffs seek to hold us and Express Scripts jointly and severally liable and to recover all losses suffered by the proposed class, equitable relief, disgorgement of alleged ill-gotten gains, injunctive relief, attorney's fees and costs and interest.

In April 2017, Anthem filed a motion to dismiss the claims brought against us, and it was granted, without prejudice, in January 2018. Plaintiffs filed a notice of appeal with the United States Court of Appeals for the Second Circuit, which was heard in October 2018. Anthem intends to vigorously defend this suit; however, its ultimate outcome cannot be presently determined.

Cigna Corporation Merger Litigation

In July 2015, we and Cigna Corporation, or Cigna, announced that we entered into the Agreement and Plan of Merger, or Cigna Merger Agreement, pursuant to which we would acquire all outstanding shares of Cigna. In July 2016, the U.S. Department of Justice, or DOJ, along with certain state attorneys general, filed a civil antitrust lawsuit in the U.S.

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District Court for the District of Columbia, or District Court, seeking to block the merger. In February 2017, Cigna purported to terminate the Cigna Merger Agreement and commenced litigation against us in the Delaware Court of Chancery, or Delaware Court, seeking damages, including the \$1,850,000,000 termination fee pursuant to the terms of the Cigna Merger Agreement, and a declaratory judgment that its purported termination of the Cigna Merger Agreement was lawful, among other claims, which is captioned *Cigna Corp. v. Anthem Inc.*

Also in February 2017, we initiated our own litigation against Cigna in the Delaware Court seeking a temporary restraining order to enjoin Cigna from terminating the Cigna Merger Agreement, specific performance compelling Cigna to comply with the Cigna Merger Agreement and damages, which is captioned *Anthem Inc. v. Cigna Corp.* In April 2017, the U.S. Circuit Court of Appeals for the District of Columbia affirmed the ruling of the District Court, which blocked the merger. In May 2017, after the Delaware Court denied our motion to enjoin Cigna from terminating the Cigna Merger Agreement, we delivered to Cigna a notice terminating the Cigna Merger Agreement.

The litigation in Delaware is ongoing with trial scheduled to commence in February 2019. We believe Cigna's allegations are without merit and we intend to vigorously pursue our claims and defend against Cigna's allegations; however, the ultimate outcome of our litigation with Cigna cannot be presently determined.

In October 2018, a shareholder filed a derivative lawsuit in Marion County Superior Court, captioned *Henry Bittmann, Derivatively, et al. v. Joseph R Swedish, et al.*, on behalf of Anthem and its shareholders against certain current and former directors and executives alleging breaches of fiduciary duties, unjust enrichment and corporate waste associated with the Cigna Merger Agreement. We intend to vigorously defend this lawsuit; however, its ultimate outcome cannot be presently determined.

Cyber Attack Regulatory Proceedings and Litigation

In February 2015, Anthem reported that it was the target of a sophisticated external cyber attack. The attackers gained unauthorized access to certain of its information technology systems and obtained personal information related to many individuals and employees, such as names, birth dates, healthcare identification/social security numbers, street addresses, email addresses, phone numbers and employment information, including income data. To date, there is no evidence that credit card or medical information, such as claims, test results or diagnostic codes, were targeted, accessed or obtained, although no assurance can be given that Anthem will not identify additional information that was accessed or obtained.

Upon discovery of the cyber attack, Anthem took immediate action to remediate the security vulnerability and retained a cybersecurity firm to evaluate its systems and identify solutions based on the evolving landscape. Anthem has provided credit monitoring and identity protection services to those who have been affected by this cyber attack. Anthem has continued to implement security enhancements since this incident. Anthem has incurred expenses subsequent to the cyber attack to investigate and remediate this matter and expect to continue to incur expenses of this nature in the foreseeable future. Anthem recognizes these expenses in the periods in which they are incurred.

Federal and state agencies, including state insurance regulators, state attorneys general, the HHS Office of Civil Rights and the Federal Bureau of Investigation, are investigating, or have investigated, events related to the cyber attack, including how it occurred, its consequences and its responses. In connection with the resolution of the National Association of Insurance Commissioners' multistate targeted market conduct and financial exam in December 2016, Anthem agreed to provide a customized credit protection program, equivalent to a credit freeze, for its members who were under the age of eighteen on January 27, 2015. No fines or penalties were imposed on us. In October 2018, Anthem resolved the investigation by the HHS Office of Civil Rights. The resolution included a monetary settlement along with an agreement to a two-year Corrective Action Plan. Additionally, an

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ongoing investigation by a multi-state group of Attorneys General remains outstanding. Although Anthem is cooperating in this investigation, it may be subject to additional fines or other obligations, which may have an adverse effect on how we operate our business and an adverse effect on our results of operations and financial condition.

Civil class actions were filed in various federal and state courts by current or former members and others seeking damages that they alleged arose from the cyber attack. In June 2015, the Judicial Panel on Multidistrict Litigation entered an order transferring the consolidated civil actions to the U.S. District Court for the Northern District of California, or the U.S. District Court, in a matter captioned *In Re Anthem, Inc. Data Breach Litigation*. The parties agreed to settle plaintiffs' claims on a class-wide basis for a total settlement payment of \$115,000,000. In August 2017, the U.S. District Court issued an order of preliminary approval of the settlement. The U.S. District Court held hearings on plaintiffs' motion for final approval and class counsel's fee petition in February and June 2018 and appointed a special master to review class counsel's fee petition. Final approval of the settlement was granted by the U.S. District Court in August 2018. All appeals that were filed with the Ninth Circuit Court of Appeals by class-member objections challenging approval of the settlement have been resolved. This matter is now closed. The three state court cases related to the cyber attack that were proceeding outside of this multidistrict litigation have been resolved and dismissed with prejudice.

Anthem has contingency plans and insurance coverage for certain expenses and potential liabilities of this nature and will pursue coverage for all applicable losses; however, the ultimate outcome of our pursuit of insurance coverage cannot be presently determined. Anthem intends to vigorously defend the remaining regulatory actions related to the cyber attack; however, their ultimate outcome cannot be presently determined.

Other contingencies

The Company is involved in other pending and threatened litigation of the character incidental to the business transacted, arising out of its operations and is from time to time involved as a party in various governmental investigations, audits, reviews and administrative proceedings. These investigations, audits and reviews and administrative proceedings include routine and special investigations by state insurance departments, state attorneys general, the U.S. Attorney General and subcommittees of the U.S. Congress. Such investigations, audits, reviews and administrative proceedings could result in the imposition of civil or criminal fines, penalties, other sanctions and additional rules, regulations or other restrictions on the Company's business operations. The Company believes that any liability that may result from any one of these actions, or in the aggregate, could have a material adverse effect on the Company's financial position or results of operations.

Provisions for uncollectible amounts

At December 31, 2018 and 2017, the Company reported admitted assets of \$117,301,050 and \$92,683,346, respectively, in premium receivables and receivables due from uninsured plans. Based upon Company experience, any uncollectible receivables are not expected to exceed \$39,063,145 that was nonadmitted at December 31, 2018; therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

15. Leases

A. Lessee Operating Lease

- (1) The Company leases office space, office equipment, EDP equipment, and software under various noncancelable operating leases. Related lease expense for 2018 and 2017 was \$1,656,350 and \$1,906,518, respectively.

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(2) At December 31, 2018, the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2019	\$ 1,837,660
2.	2020	1,837,660
3.	2021	1,837,660
4.	2022	1,837,660
5.	2023	1,837,660
6.	Total	<u>\$ 9,188,300</u>

- (3)
- a. During 2015, the Company entered into a sale-leaseback transaction with an unaffiliated entity to lease the South Portland, Maine building for 12 years.
 - b. Not applicable.

B. Lessor Leases

- (1) The Company has not entered into any operating leases.
- (2) The Company has not entered into any leveraged leases.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the board of directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2018, there were no significant concentrations.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable at December 31, 2018 and 2017.

B. Transfer and Servicing of Financial Assets

- (1) The Company participates in a securities lending program whereby marketable securities in its investment portfolio are transferred to independent brokers or dealers. At December 31, 2018 the fair value of securities loaned was \$11,668,801 and the carrying value of securities loaned was \$11,923,611.
- (2) - (7) Not applicable.

C. Wash Sales

- (1) In the course of the Company’s asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
- (2) At December 31, 2018 and 2017, there were no wash sales involving securities with an NAIC designation of 3 or below or unrated.

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18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (“ASO”) Plans

The gain or (loss) from operations from ASO uninsured plans and the uninsured portion of partially insured plans during 2018 was:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of (less than) actual expenses	\$ (247,911)	\$ —	\$ (247,911)
b. Total net other income or expenses (including interest paid to or received from plans)	—	—	—
c. Net gain or (loss) from operations	\$ (247,911)	\$ —	\$ (247,911)
d. Total claim payment volume	\$ 25,276,890	\$ —	\$ 25,276,890

B. Administrative Services Contract (“ASC”) Plans

The gain or (loss) from operations from ASC uninsured plans and the uninsured portion of partially insured plans during 2018 was:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 556,898,433	\$ —	\$ 556,898,433
b. Gross administrative fees accrued	27,884,940	—	27,884,940
c. Other income or expenses (including interest paid to or received from plans)	—	—	—
d. Gross expenses incurred (claims and administrative)	590,245,331	—	590,245,331
e. Total gain or (loss) from operations	\$ (5,461,958)	\$ —	\$ (5,461,958)

C. Medicare or Other Similarly Structured Cost-Based Reimbursement Contract

(1) The Company does not record revenue explicitly attributable to the cost share and reinsurance components of administered Medicare products.

(2)

Receivable from	Related to	2018	2017
Centers for Medicare and Medicaid Services	Cost share and reinsurance components of administered Medicare products	\$ 51,342	\$ 2,178,460
U.S. Department of Health and Human Services	Cost share and reinsurance components of administered commercial ACA products	\$ —	\$ —
Uninsured plans	Uninsured business, not including pharmaceutical rebate receivables	\$ 60,014,010	\$ 24,147,388

(3) As no revenue is recorded in connection with the cost share and reinsurance components of the Company’s Medicare and ACA products, the Company has recorded no allowances and reserves for the adjustment of recorded revenues and receivables.

(4) The Company has made no adjustment to revenue resulting from the audit of cost-reimbursement receivables related to revenues recorded in the prior period.

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19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2018 and 2017.

20. Fair Value Measurements

A.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds					
Industrial and misc	\$ —	\$ 2,937,397	\$ —	\$ —	\$ 2,937,397
Total bonds	\$ —	\$ 2,937,397	\$ —	\$ —	\$ 2,937,397
Cash equivalents					
Industrial and miscellaneous money market funds	\$ —	\$ 1,296,393	\$ —	\$ —	\$ 1,296,393
Total cash equivalents	\$ —	\$ 1,296,393	\$ —	\$ —	\$ 1,296,393
Total assets at fair value/NAV	\$ —	\$ 4,233,790	\$ —	\$ —	\$ 4,233,790

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

There are no investments in Level 3 as of December 31, 2018 and 2017.

(3) The Company’s policy is to recognize transfers between Levels, if any, as of the beginning of the reporting period.

(4) Fair values of bonds are based on quoted market prices, where available. These fair values are obtained primarily from third party pricing services, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. Level 2 securities primarily include United States government securities, corporate securities, securities from states, municipalities and political subdivisions, mortgage-backed securities and certain other asset-backed securities. For securities not actively traded, the pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds. The Company has controls in place to review the pricing services' qualifications and procedures used to determine fair values. In addition, the Company periodically reviews the pricing services' pricing methodologies, data sources and pricing inputs to ensure the fair values obtained are reasonable.

Cash equivalents primarily consist of highly rated money market funds or bonds with original maturities of three months or less. Due to the high ratings and short-term nature of these investments, all cash equivalents are designated as Level 1, except for investments in U.S. Treasury securities, which are designated as Level 2.

Certain financial assets are measured at fair value using Level 3 inputs, such as certain non-investment grade bonds and loan-backed securities or investments that are impaired during the year and recorded at fair value.

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There have been no significant changes in the valuation techniques during the current period.

B. Fair Value Measurements Under Other Accounting Pronouncements

Not applicable at December 31, 2018 and 2017.

C. Financial Instruments

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)
Bonds	\$ 242,647,318	\$ 246,152,805	\$ —	\$ 240,765,484	\$ 1,881,834	\$ —
Cash equivalents	1,296,393	1,296,346	—	1,296,393	—	—
Short-term investments	4,294,918	4,294,918	—	4,294,918	—	—
Securities lending collateral asset	11,919,211	11,915,083	6,957,084	4,962,127	—	—

D. Not Practicable to Estimate Fair Value

There are no financial instruments that were not practicable to estimate fair value.

E. Investments Measured at Net Asset Value

The Company has no investments measured at net asset value.

21. Other Items

A. Unusual or Infrequent Items

Not applicable at December 31, 2018 and 2017.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2018 and 2017.

C. Other Disclosures

Land is recorded at cost and other real estate is recorded at cost less accumulated depreciation. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the assets. Real estate was not adjusted to market value at the date of purchase.

Assets in the amount of \$725,560 and \$751,545 at December 31, 2018 and 2017, respectively, were on deposit with government authorities or trustees as required by law.

The Company recognized \$120,000 for impairment write downs related to its investment in BCS Plans Liability Insurance Company (“BCS Plans”) at December 31, 2018. The Company did not recognize impairment write downs related to its investment in BCS Plans at December 31, 2017.

The Company participates in the Federal Employee Health Benefits Program (“FEHBP”) with other Blue Cross Blue Shield Plans. This program includes a fully-insured experience-rated contract, commonly known as the FEP, between the OPM and BCBSA, which acts as an agent for the participating Blue Cross Blue Shield plans. In addition, each participating plan, including the Company, executes a contract with BCBSA which obligates each participating plan to underwrite FEP benefits in its service area.

FEP premium is earned when chargeable benefit costs, allowable expenses or retentions are incurred. Deferred premiums are recorded to offset the FEP liabilities for incurred claims

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but not reported and claims adjustment expenses that are due from the OPM, when the claims are ultimately paid. Premium rates are developed by BCBSA and negotiated with OPM annually. These rates determine the funds that will be available to the participating Blue Cross Blue Shield plans to provide insurance to Federal employees that enroll with the Blue Cross Blue Shield FEP. The excess of gross premiums for the life of the program over the charges for the life of the program on an accrual basis is accounted for as a rate stabilization reserve (commonly referred to as the special reserve), as required by the contract between OPM and BCBSA. Each year, OPM also allocates a portion of the premiums to a contingency reserve, which may be utilized by the participating plans in the event that annual premiums paid to the insurance carrier are insufficient or the rate stabilization reserve falls below certain levels prescribed by OPM. Premiums paid to the carrier and available to each participating Blue Cross Blue Shield plan, including the special reserve and the contingency reserve, are held at the U.S. Treasury, including amounts unused from prior periods. Any premiums that remain in the rate stabilization reserve upon termination of the BCBSA contract after the claims run-out and reimbursement of allowable administrative expenses would be returned to OPM for the benefit of the FEHBP. The FEP contract renews automatically each year unless written notice of termination is given by either party.

In accordance with the FEP contract, premium funds that exceed daily operating needs are held on behalf of the Company in letter of credit accounts at the U.S. Treasury to provide funding for claims, administrative expenses, and other charges to the contract. The Company, along with other Blue Cross Blue Shield plans who participate in the FEHBP contract, have an unrestricted right to draw funds being held in the U.S. Treasury, other than those allocated to the contingency reserve, for any valid claim or expense. If the balance of the special reserve is exhausted or falls below certain prescribed levels, OPM will transfer funds from the contingency reserve to the special reserve to the extent that funds are available in the contingency reserve. Amounts incurred in excess of the total reserves held at the U.S. Treasury for the FEP would not be reimbursed to the Company.

The Company has recorded its allocable share of the special reserve funds held in the U.S. Treasury as an asset, with an equivalent amount recorded as a rate stabilization reserve. These amounts are \$61,681,444 and \$65,322,456 as of December 31, 2018 and 2017, respectively, and are included in aggregate write-ins for other than invested assets and in health policy reserves in the accompanying balance sheets.

FEP represented approximately 46.8% and 39.6% of premiums receivable as of December 31, 2018 and 2017, respectively. FEP represented approximately 20.8% and 17.8% of net premiums written for the years ended December 31, 2018 and 2017, respectively.

D. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2018 and 2017.

E. State Transferable and Non-Transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2018 and 2017.

F. Subprime Mortgage-Related Risk Exposure

(1) The Company's investment strategy of providing safety and preservation of capital, sufficient liquidity to meet cash flow requirements and the attainment of a competitive after-tax investment return is supported by a well diversified portfolio consisting of many different types of investments. The portion of the Company's investment portfolio with subprime mortgage-related risk exposure is relatively small in comparison to the overall investment portfolio, and consists mainly of investment grade securities with no exposure to collateralized debt obligations. All mortgage related investments are

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monitored closely as part of the quarterly investment review performed by the Anthem Investment Impairment Review Committee.

- (2) The Company did not carry investments in subprime mortgage loans in its portfolio at December 31, 2018 or 2017.
- (3) The Company did not have subprime mortgage-related risk exposure at December 31, 2018 or 2017.
- (4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2018 or 2017.

G. Retained Assets

The Company does not have retained assets at December 31, 2018 and 2017.

H. Insurance-Linked Securities Contracts

Not applicable.

22. Events Subsequent

The Company is subject to an annual fee under section 9010 of the ACA. A health insurance company’s portion of the annual fee becomes payable once the entity provides health insurance for any U.S. health risk for each calendar year beginning on or after January 1 of the year the fee is due. The annual fee under section 9010 of the ACA was paid for 2018 and suspended by the government for 2019.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	Yes	
B. ACA fee assessment payable for the upcoming year	\$ —	\$ 21,034,623
C. ACA fee assessment paid	\$ 18,403,944	\$ —
D. Premium written subject to ACA 9010 assessment	\$ 888,909,511	\$ 1,060,478,726
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 14)	\$ 120,058,373	
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 14 minus Line 22B above).	\$ 120,058,373	
G. Authorized Control Level (Five-Year Historical Line 15)	\$ 21,579,704	
H. Would reporting the ACA assessment as of December 31, 2018 have triggered an RBC action level (YES/NO)?	No	

Subsequent events have been considered through February 27, 2019 for the statutory statement issued on February 28, 2019. There were no other events occurring subsequent to December 31, 2018 requiring recognition or disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 - General Interrogatories

- (1) Are any of the reinsurers that are listed in Schedule S as non-affiliated owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes () No (X)

If yes, give full details.

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- (2) Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled, directly or indirectly, by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

(3) If yes, give full details.

Section 2 - Ceded Reinsurance Report - Part A

- (1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

If yes, give full details.

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

If yes, give full details.

Section 3 - Ceded Reinsurance Report - Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

Not applicable.

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

If yes, give full details.

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2018 and 2017.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2018 and 2017.

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D. Certified Reinsurer Rating Downgraded or Status Subject Revocation

The Company has no downgraded certified reinsurer ratings or status subject to revocations during 2018 and 2017.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

- A.** The Company sells accident and health policies for which the premiums vary based on loss experience. The Company estimates retrospective premium adjustments through the review of each retrospectively rated account, comparing the claim development with that anticipated in the policy contracts.
- B.** The Company records accrued retrospective premium as an adjustment to earned premium.
- C.** The amount of net premiums written by the Company at December 31, 2018 and 2017 that were subject to retrospective rating features was \$916,411,891 and \$1,096,426,458, respectively, which represented 92.7% and 94.0%, respectively, of the total net premiums written.
- D.** Not applicable.

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E. Risk-Sharing Provisions of the ACA

(1)	Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO)?	Yes
(2)	Impact of Risk-Sharing Provisions of the Affordable Care Act on Admitted Assets, Liabilities and Revenue for the Current Year	
a.	Permanent ACA Risk Adjustment Program	
	Assets	
	1. Premium adjustments receivable due to ACA Risk Adjustment (including high risk pool payments)	\$ 2,340,947
	Liabilities	
	2. Risk adjustment user fees payable for ACA Risk Adjustment	\$ 25,311
	3. Premium adjustments payable due to ACA Risk Adjustment (including high risk pool premiums)	\$ 324,741
	Operations (Revenue & Expense)	
	4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	\$ 1,218,284
	5. Reported in expenses as ACA risk adjustment user fees (incurred/paid)	\$ 26,098
b.	Transitional ACA Reinsurance Program	
	Assets	
	1. Amounts recoverable for claims paid due to ACA Reinsurance	\$ 19,750
	2. Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	\$ —
	3. Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	\$ —
	Liabilities	
	4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium	\$ —
	5. Ceded reinsurance premiums payable due to ACA Reinsurance	\$ —
	6. Liability for amounts held under uninsured plans contributions for ACA Reinsurance	\$ —
	Operations (Revenue & Expense)	
	7. Ceded reinsurance premiums due to ACA Reinsurance	\$ —
	8. Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	\$ —
	9. ACA Reinsurance contributions - not reported as ceded premium	\$ —
c.	Temporary ACA Risk Corridors Program	
	Assets	
	1. Accrued retrospective premium due to ACA Risk Corridors	\$ —
	Liabilities	
	2. Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	\$ —
	Operations (Revenue & Expense)	
	3. Effect of ACA Risk Corridors on net premium income (paid/received)	\$ —
	4. Effect of ACA Risk Corridors on change in reserves for rate credits	\$ —

Line items where the amount is zero is due to no balance and/or no activity as of the reporting date.

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(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance.

Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
				Prior Year Accrued Less Payments (Col 1-3)	Prior Year Accrued Less Payments (Col 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
1	2	3	4	5	6	7	8		9	10
Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program										
1. Premium adjustments receivable (including high risk pool payments)								A		
\$ 1,152,846	\$ —	\$ —	\$ —	\$ 1,152,846	\$ —	\$ (1,152,846)	\$ —		\$ —	\$ —
2. Premium adjustments (payable) (including high risk pool premiums)								B		
\$ —	\$ 9,070,115	\$ —	\$ 8,715,191	\$ —	\$ 354,924	\$ —	\$ (354,924)		\$ —	\$ —
3. Subtotal ACA Permanent Risk Adjustment Program										
\$ 1,152,846	\$ 9,070,115	\$ —	\$ 8,715,191	\$ 1,152,846	\$ 354,924	\$ (1,152,846)	\$ (354,924)		\$ —	\$ —
b. Transitional ACA Reinsurance Program										
1. Amounts recoverable for claims paid								C		
\$ 582,818	\$ —	\$ 563,068	\$ —	\$ 19,750	\$ —	\$ —	\$ —		\$ 19,750	\$ —
2. Amounts recoverable for claims unpaid (contra liability)								D		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
3. Amounts receivable relating to uninsured plans								E		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
4. Liabilities for contributions payable due to ACA Reinsurance - not reported as ceded premium								F		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
5. Ceded reinsurance premiums payable								G		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
6. Liability for amounts held under uninsured plans								H		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
7. Subtotal ACA Transitional Reinsurance Program										
\$ 582,818	\$ —	\$ 563,068	\$ —	\$ 19,750	\$ —	\$ —	\$ —		\$ 19,750	\$ —
c. Temporary ACA Risk Corridors Program										
1. Accrued retrospective premium								I		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
2. Reserve for rate credits or policy experience rating refunds								J		
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
3. Subtotal ACA Risk Corridors Program										
\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —		\$ —	\$ —
d. Total for ACA Risk Sharing Provisions										
\$ 1,735,664	\$ 9,070,115	\$ 563,068	\$ 8,715,191	\$ 1,172,596	\$ 354,924	\$ (1,152,846)	\$ (354,924)		\$ 19,750	\$ —

Explanations of Adjustments

- A Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2017 Benefit Year."
- B Adjustments were made to reflect the ending balance in the Centers for Medicare & Medicaid Services "Summary Report on Permanent Risk Adjustment Transfers for the 2017 Benefit Year."
- C Not applicable.
- D Not applicable.
- E Not applicable.
- F Not applicable.
- G Not applicable.
- H Not applicable.
- I Not applicable.
- J Not applicable.

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NOTES TO FINANCIAL STATEMENTS

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year.

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments			Unsettled Balances as of the Reporting Date		
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1 - 3 + 7)	Cumulative Balance from Prior Years (Col 2 - 4 + 8)	
	1	2	3	4	5	6	7	8		9	10	
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)	
a. 2014												
1. Accrued retrospective premium	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
2. Reserve for rate credits for policy experience rating refunds	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
b. 2015												
1. Accrued retrospective premium	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
2. Reserve for rate credits for policy experience rating refunds	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
c. 2016												
1. Accrued retrospective premium	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
2. Reserve for rate credits for policy experience rating refunds	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—
d. Total for Risk Corridors	\$	—	\$	—	\$	—	\$	—	\$	—	\$	—

Explanations of adjustments

- A Not applicable.
- B Not applicable.
- C Not applicable.
- D Not applicable.
- E Not applicable.
- F Not applicable.

24E(4)d (Columns 1 through 10) should equal 24E(3)c3 (Column 1 through 10 respectively)

(5) ACA Risk Corridors Receivable as of Reporting Date.

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts received from CMS	4 Asset Balance (Gross of Non-admissions) (1 - 2 - 3)	5 Non-admitted Amount	6 Net Admitted Asset (4 - 5)
a. 2014	\$	—	\$	—	\$	—
b. 2015	\$	—	\$	—	\$	—
c. 2016	\$	—	\$	—	\$	—
d. Total (a + b + c)	\$	—	\$	—	\$	—

24E(5)d (Columns 4) should equal 24E(3)c1 (Column 9)

24E(5)d (Columns 6) should equal 24E(2)c1

25. Change in Incurred Claims and Claim Adjustment Expenses

- A. The estimated cost of claims and claim adjustment expense attributable to insured events of prior years decreased by \$14,494,829 during 2018. This is approximately 9.7% of unpaid claims and claim adjustment expenses of \$149,161,421 as of December 31, 2017. The redundancy reflects the decreases in estimated claims and claims adjustment expenses as a result of claims payment during the year, and as additional information is received regarding claims incurred prior to 2018. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claim adjustment expense.
- B. There were no significant changes in methodologies and assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2018 and 2017.

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

NOTES TO FINANCIAL STATEMENTS

27. Structured Settlements

Not applicable at December 31, 2018 and 2017.

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

During 2018, the Company sold \$35,227,073 of pharmaceutical rebate receivables without recourse to Blue Cross of California, an affiliated entity. The proceeds received by the Company represented the expected pharmaceutical rebates recoverable in 90 days or more at the end of each quarter, less a \$176,135 discount fee.

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2018	\$ 16,348,308	\$ 6,889,798	\$ —	\$ —	\$ —
9/30/2018	16,168,443	11,487,085	6,767,323	—	—
6/30/2018	14,632,081	11,341,554	1,123,923	10,319,921	—
3/31/2018	14,710,362	10,587,052	685,094	9,973,180	—
12/31/2017	8,686,761	12,345,755	3,506,435	4,797,775	—
9/30/2017	12,314,689	11,896,586	11,225,668	518,984	—
6/30/2017	12,809,839	11,856,953	56,229	11,735,368	(16,009)
3/31/2017	10,966,606	10,804,405	64,301	10,062,516	601,506
12/31/2016	10,477,292	9,884,719	520,269	8,811,362	516,570
9/30/2016	9,603,693	9,483,720	5,102	9,181,737	240,683
6/30/2016	8,836,789	9,017,796	3,262	8,343,682	628,955
3/31/2016	8,772,272	8,979,047	395,123	6,503,753	2,042,562

B. Risk Sharing Receivables

Not applicable at December 31, 2018 and 2017.

29. Participating Policies

Not applicable at December 31, 2018 and 2017.

30. Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves	\$	159,903
2. Date of the most recent evaluation of this liability	December 31, 2018	
3. Was anticipated investment income utilized in the calculation?	Yes	No X

The Company recorded premium deficiency reserves of \$159,903 at December 31, 2018. The Company had no liabilities related to premium deficiency reserves as of December 31, 2017.

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced the liability by \$1,683,000 and \$2,872,000 at December 31, 2018 and 2017, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] N/A []

1.3

State Regulating?

Maine

1.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes [X] No []

1.5

If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.

0001156039

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2017

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2013

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/29/2015

3.4

By what department or departments?
State of Maine Bureau of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] N/A [X]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [] No [] N/A [X]

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business?
4.12 renewals?

Yes [] No [X]
Yes [] No [X]

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business?
4.22 renewals?

Yes [] No [X]
Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?
If yes, complete and file the merger history data file with the NAIC.

Yes [] No [X]

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

GENERAL INTERROGATORIES

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP, 155 North Wacker Drive, Chicago, IL 60606
10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
10.2 If the response to 10.1 is yes, provide information related to this exemption:
10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
10.4 If the response to 10.3 is yes, provide information related to this exemption:
10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Claudia Ellis, Associate Actuary (employee), 3350 Peachtree Road NE, Atlanta, GA 30326
12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
12.11 Name of real estate holding company
12.12 Number of parcels involved
12.13 Total book/adjusted carrying value \$
12.2 If, yes provide explanation:

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.
14.11 If the response to 14.1 is No, please explain:
14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
14.21 If the response to 14.2 is yes, provide information related to amendment(s).
Administrative changes were made in February 2018 to update the President & CEO letter, and to clarify our sexual harassment policy. In November 2018, the CCO letter was updated to reflect a change in the Chief Compliance Officer.
14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- | | | | |
|--|--------------------------------------|--|-------------|
| 1
American Bankers Association (ABA) Routing Number | 2
Issuing or Confirming Bank Name | 3
Circumstances That Can Trigger the Letter of Credit | 4
Amount |
| | | | |

16.	Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?	Yes [X]	No []
17.	Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?	Yes [X]	No []
18.	Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person?	Yes [X]	No []

19.	Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?		Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
20.1	Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):	20.11 To directors or other officers.....	\$	0
		20.12 To stockholders not officers.....	\$	0
		20.13 Trustees, supreme or grand (Fraternal Only)	\$	0
20.2	Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):	20.21 To directors or other officers.....	\$	0
		20.22 To stockholders not officers.....	\$	0
		20.23 Trustees, supreme or grand (Fraternal Only)	\$	0
21.1	Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?		Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
21.2	If yes, state the amount thereof at December 31 of the current year:	21.21 Rented from others.....	\$	0
		21.22 Borrowed from others.....	\$	0
		21.23 Leased from others	\$	0
		21.24 Other	\$	0
22.1	Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?		Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
22.2	If answer is yes:	22.21 Amount paid as losses or risk adjustment \$		0
		22.22 Amount paid as expenses	\$	0
		22.23 Other amounts paid	\$	1,904,100
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?		Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:		\$	

24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03).....	Yes	<input checked="" type="checkbox"/>	X		No	<input type="checkbox"/>		
24.02	If no, give full and complete information relating thereto								
24.03	For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) Please see Notes 5H and 17.								
24.04	Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?	Yes	<input checked="" type="checkbox"/>	X		No	<input type="checkbox"/>		N/A <input type="checkbox"/>
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$	11,915,083						
24.06	If answer to 24.04 is no, report amount of collateral for other programs.	\$							
24.07	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes	<input checked="" type="checkbox"/>	X		No	<input type="checkbox"/>		N/A <input type="checkbox"/>
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes	<input checked="" type="checkbox"/>	X		No	<input type="checkbox"/>		N/A <input type="checkbox"/>
24.09	Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending?	Yes	<input checked="" type="checkbox"/>	X		No	<input type="checkbox"/>		N/A <input type="checkbox"/>

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	11,919,211
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	11,915,083
24.103	Total payable for securities lending reported on the liability page.	\$	11,915,083

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes ☒ No ☐

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	
		25.22 Subject to reverse repurchase agreements	\$	
		25.23 Subject to dollar repurchase agreements	\$	
		25.24 Subject to reverse dollar repurchase agreements	\$	
		25.25 Placed under option agreements	\$	
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$	
		25.27 FHLB Capital Stock	\$	
		25.28 On deposit with states	\$	725,560
		25.29 On deposit with other regulatory bodies	\$	
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$	
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$	
		25.32 Other	\$	

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ☐ No ☐ N/A ☒
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes ☐ No ☒

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes ☒ No ☐

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Chase Bank, N.A	383 Madison Ave, New York, NY 10179

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes ☒ No ☐

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Bank of New York Mellon Corporation	JP Morgan Chase Bank, N.A	02/01/2018	Operational decision to change custodian

GENERAL INTERROGATORIES

28.05 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Anthem, Inc.	I.....
McDonnell Investment Management, LLC	U.....
Pacific Investment Management Company	U.....
.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?..... Yes [X] No []

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?..... Yes [X] No []

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
134852	McDonnell Investment Management, LLC .....	.....	.....	.....
8158	Pacific Investment Management Company .....	.....	549300KGPYQZXGMYYN38 .....	.....
.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		0

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	251,744,069	248,238,580	(3,505,489)
30.2 Preferred stocks	0	.....	0
30.3 Totals	251,744,069	248,238,580	(3,505,489)

30.4 Describe the sources or methods utilized in determining the fair values:
Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
N/A

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []

32.2 If no, list exceptions:
N/A

GENERAL INTERROGATORIES

33.

By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
b. Issuer or obligor is current on all contracted interest and principal payments.
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
Has the reporting entity self-designated 5GI securities?

Yes [] No [X]
34.

By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
a. The security was purchased prior to January 1, 2018.
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
Has the reporting entity self-designated PLGI securities?

Yes [] No [X]

OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$164,829

35.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Blue Cross Blue Shield Association	164,829

36.1 Amount of payments for legal expenses, if any?\$1,298,447

36.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
ROACH RUPRECHT SANCHEZ & BISCHOFF PC	341,603

37.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$69,194

37.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Mitchell Tardy Government Affairs	63,000

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State as well as the cost of external contractors who provided lobbying services to the Company. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2018 Annual Statement.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes ☒ No ☐

1.2

If yes, indicate premium earned on U.S. business only.

\$47,369,078

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$40,103,054

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$11,066,842

1.62

Total incurred claims

\$9,767,198

1.63

Number of covered lives

6,064

All years prior to most current three years:

1.64

Total premium earned

\$36,302,236

1.65

Total incurred claims

\$30,335,856

1.66

Number of covered lives

14,648

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$0

1.72

Total incurred claims

\$0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$0

1.75

Total incurred claims

\$0

1.76

Number of covered lives

0

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

988,862,5101,166,212,759

2.2

Premium Denominator

988,862,5101,166,212,759

2.3

Premium Ratio (2.1/2.2)

1.0001.000

2.4

Reserve Numerator

188,513,065261,761,841

2.5

Reserve Denominator

188,513,065261,761,841

2.6

Reserve Ratio (2.4/2.5)

1.0001.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes ☐ No ☒

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes ☒ No ☐

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes ☐ No ☐

5.1

Does the reporting entity have stop-loss reinsurance?

Yes ☐ No ☒

5.2

If no, explain:
Anthem, Inc. has financial reserves available to cover catastrophic losses. Also see the response to question 6 below.

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental & Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
If the company becomes insolvent, Anthem, Inc. had agreed to the full extent of its assets, to assume all contractual and financial obligations of the Company. Effective November 30, 2018, the Company terminated the Insolvency Agreement with Anthem Insurance Companies, Inc. The majority of provider and professional contracts include Hold Harmless provisions.

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes ☒ No ☐

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

7,455

8.2

Number of providers at end of reporting year

7,792

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes ☒ No ☐

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

\$292,146

9.22

Business with rate guarantees over 36 months

\$0

GENERAL INTERROGATORIES

10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes [X] No []

10.2 If yes:

10.21 Maximum amount payable bonuses.....\$499,003

10.22 Amount actually paid for year bonuses.....\$7,229,694

10.23 Maximum amount payable withholds.....\$0

10.24 Amount actually paid for year withholds.....\$0

11.1 Is the reporting entity organized as:

11.12 A Medical Group/Staff Model, Yes [] No [X]

11.13 An Individual Practice Association (IPA), or, . Yes [] No [X]

11.14 A Mixed Model (combination of above)? Yes [] No [X]

11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes [X] No []

11.3 If yes, show the name of the state requiring such minimum capital and surplus. Maine

11.4 If yes, show the amount required.\$53,949,260

11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes [] No [X]

11.6 If the amount is calculated, show the calculation

250% of Health Risk-Based Capital Authorized Control Level (250% x \$21,579,704)

12. List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
State of Maine
.....

13.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

13.2 If yes, please provide the amount of custodial funds held as of the reporting date.\$

13.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

13.4 If yes, please provide the balance of funds administered as of the reporting date.\$

14.1 Are any of the captive affiliates reported on Schedule S, Part 3, authorized reinsurers? Yes [] No [X] N/A []

14.2 If the answer to 14.1 is yes, please provide the following:

1 Company Name	2 NAIC Company Code	3 Domiciliary Jurisdiction	4 Reserve Credit	Assets Supporting Reserve Credit		
				5 Letters of Credit	6 Trust Agreements	7 Other
.....						

15. Provide the following for individual ordinary life insurance* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded):

15.1 Direct Premium Written\$

15.2 Total Incurred Claims\$

15.3 Number of Covered Lives

*Ordinary Life Insurance Includes
Term(whether full underwriting, limited underwriting, jet issue, "short form app")
Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app")
Variable Life (with or without secondary gurantee)
Universal Life (with or without secondary gurantee)
Variable Universal Life (with or without secondary gurantee)

16. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] No [X]

16.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No [X]

FIVE-YEAR HISTORICAL DATA

	1 2018	2 2017	3 2016	4 2015	5 2014
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	493,935,763	497,962,958	408,406,115	397,874,610	386,331,134
2. Total liabilities (Page 3, Line 24)	373,877,390	332,577,698	257,958,186	243,869,220	245,114,594
3. Statutory minimum capital and surplus requirement	53,949,260	68,473,518	72,552,363	67,438,168	54,129,572
4. Total capital and surplus (Page 3, Line 33)	120,058,373	165,385,260	150,447,929	154,005,390	141,216,540
Income Statement (Page 4)					
5. Total revenues (Line 8)	991,739,739	1,139,542,290	1,062,877,705	1,034,467,608	1,017,422,645
6. Total medical and hospital expenses (Line 18)	852,080,007	998,869,272	931,060,035	894,409,814	881,762,936
7. Claims adjustment expenses (Line 20)	24,406,889	31,989,954	28,631,538	26,622,661	25,002,895
8. Total administrative expenses (Line 21)	69,256,197	61,119,570	74,125,499	78,786,392	82,569,667
9. Net underwriting gain (loss) (Line 24)	45,836,743	47,563,494	29,363,356	35,771,567	26,661,598
10. Net investment gain (loss) (Line 27)	10,391,698	8,454,429	7,567,511	8,141,889	9,176,727
11. Total other income (Lines 28 plus 29)	778,158	225,574	(522,058)	19,675	34,638
12. Net income or (loss) (Line 32)	58,641,784	37,741,037	19,094,673	22,173,708	19,151,955
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	(57,605,836)	86,955,567	22,173,803	19,255,584	11,995,582
Risk-Based Capital Analysis					
14. Total adjusted capital	120,058,373	165,385,260	150,447,929	154,005,390	141,216,540
15. Authorized control level risk-based capital	21,579,704	27,389,407	29,020,945	26,975,267	21,651,829
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	361,759	382,011	379,610	318,477	314,817
17. Total members months (Column 6, Line 7)	4,312,662	4,670,930	4,216,388	3,826,114	3,829,227
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	85.9	87.7	87.6	86.5	86.7
20. Cost containment expenses	1.4	1.6	1.5	1.3	1.3
21. Other claims adjustment expenses	1.1	1.2	1.2	1.3	1.2
22. Total underwriting deductions (Line 23)	95.4	95.8	97.2	96.5	97.4
23. Total underwriting gain (loss) (Line 24)	4.6	4.2	2.8	3.5	2.6
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	129,908,137	106,626,639	92,135,910	83,739,728	89,938,235
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	146,533,692	113,008,713	102,787,643	92,486,810	90,986,279
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)					
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)					
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate					
31. All other affiliated					
32. Total of above Lines 26 to 31	0	0	0	0	0
33. Total investment in parent included in Lines 26 to 31 above.					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

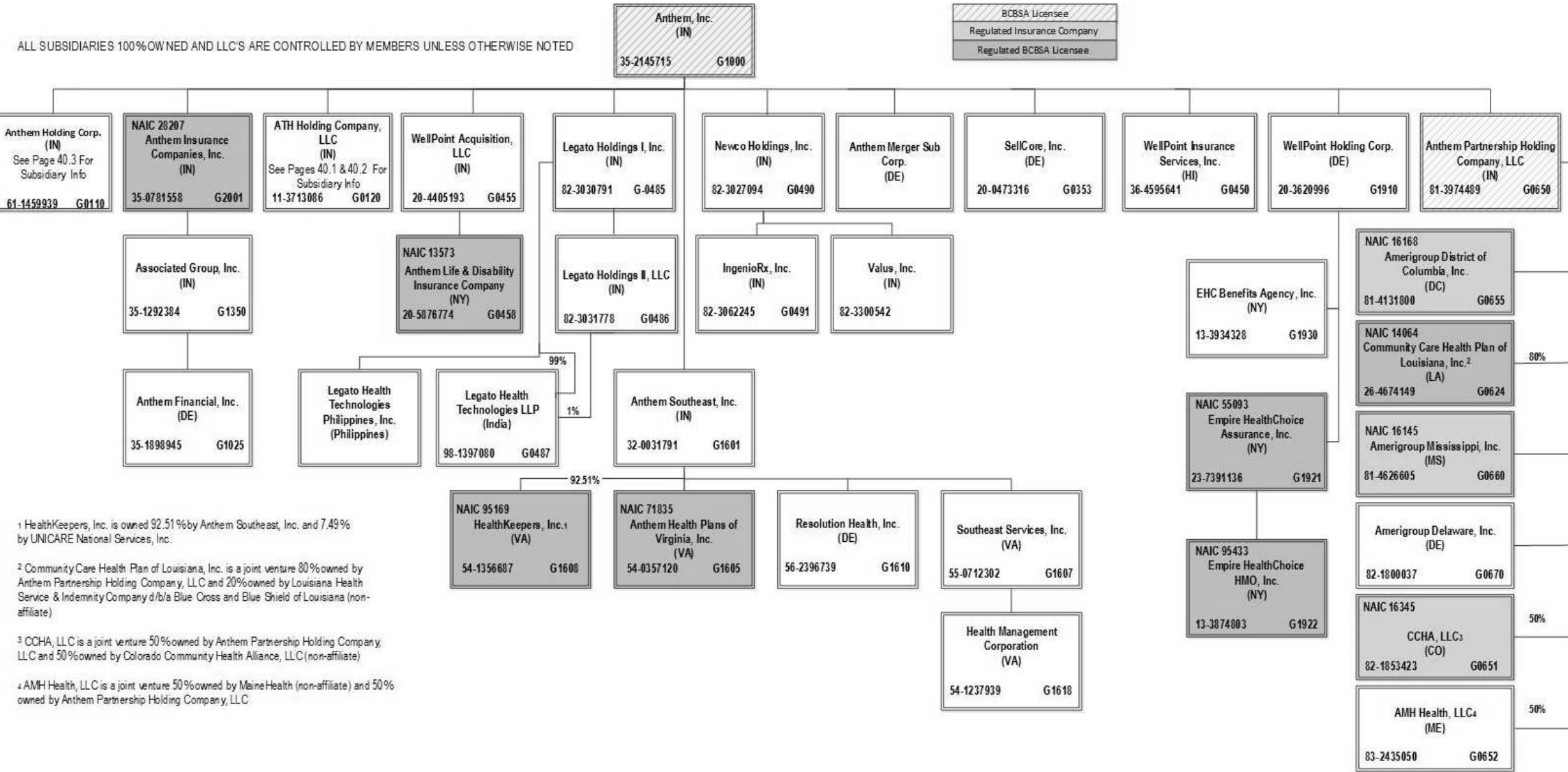
SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories										
			1	Direct Business Only						
				2	3	4	5 Federal Employees Health Benefits Plan Premiums	6 Life & Annuity Premiums & Other Considerations	7 Property/ Casualty Premiums	8 Total Columns 2 Through 7	9 Deposit-Type Contracts
States, etc.			Active Status (a)	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX				
1.	Alabama	AL	N							.0
2.	Alaska	AK	N							.0
3.	Arizona	AZ	N							.0
4.	Arkansas	AR	N							.0
5.	California	CA	N							.0
6.	Colorado	CO	N							.0
7.	Connecticut	CT	N							.0
8.	Delaware	DE	N							.0
9.	District of Columbia	DC	N							.0
10.	Florida	FL	N							.0
11.	Georgia	GA	N							.0
12.	Hawaii	HI	N							.0
13.	Idaho	ID	N							.0
14.	Illinois	IL	N							.0
15.	Indiana	IN	N							.0
16.	Iowa	IA	N							.0
17.	Kansas	KS	N							.0
18.	Kentucky	KY	N							.0
19.	Louisiana	LA	N							.0
20.	Maine	ME	L	782,290,454	936,401		205,693,139			988,919,994
21.	Maryland	MD	N							.0
22.	Massachusetts	MA	N							.0
23.	Michigan	MI	N							.0
24.	Minnesota	MN	N							.0
25.	Mississippi	MS	N							.0
26.	Missouri	MO	N							.0
27.	Montana	MT	N							.0
28.	Nebraska	NE	N							.0
29.	Nevada	NV	N							.0
30.	New Hampshire	NH	N							.0
31.	New Jersey	NJ	N							.0
32.	New Mexico	NM	N							.0
33.	New York	NY	N							.0
34.	North Carolina	NC	N							.0
35.	North Dakota	ND	N							.0
36.	Ohio	OH	N							.0
37.	Oklahoma	OK	N							.0
38.	Oregon	OR	N							.0
39.	Pennsylvania	PA	N							.0
40.	Rhode Island	RI	N							.0
41.	South Carolina	SC	N							.0
42.	South Dakota	SD	N							.0
43.	Tennessee	TN	N							.0
44.	Texas	TX	N							.0
45.	Utah	UT	N							.0
46.	Vermont	VT	N							.0
47.	Virginia	VA	N							.0
48.	Washington	WA	N							.0
49.	West Virginia	WV	N							.0
50.	Wisconsin	WI	N							.0
51.	Wyoming	WY	N							.0
52.	American Samoa	AS	N							.0
53.	Guam	GU	N							.0
54.	Puerto Rico	PR	N							.0
55.	U.S. Virgin Islands	VI	N							.0
56.	Northern Mariana Islands	MP	N							.0
57.	Canada	CAN	N							.0
58.	Aggregate other alien	OT	XXX	.0	.0	.0	.0	.0	.0	.0
59.	Subtotal		XXX	782,290,454	936,401	.0	205,693,139	.0	.0	988,919,994
60.	Reporting entity contributions for Employee Benefit Plans		XXX							.0
61.	Total (Direct Business)		XXX	782,290,454	936,401	0	205,693,139	0	0	988,919,994
DETAILS OF WRITE-INS										
58001.			XXX							
58002.			XXX							
58003.			XXX							
58998.	Summary of remaining write-ins for Line 58 from overflow page		XXX	.0	.0	.0	.0	.0	.0	.0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX	0	0	0	0	0	0	0

(a) Active Status Counts:
L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....1 R - Registered - Non-domiciled RRGs.....0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state.....0 Q - Qualified - Qualified or accredited reinsurer.....0
N - None of the above - Not allowed to write business in the state.....56

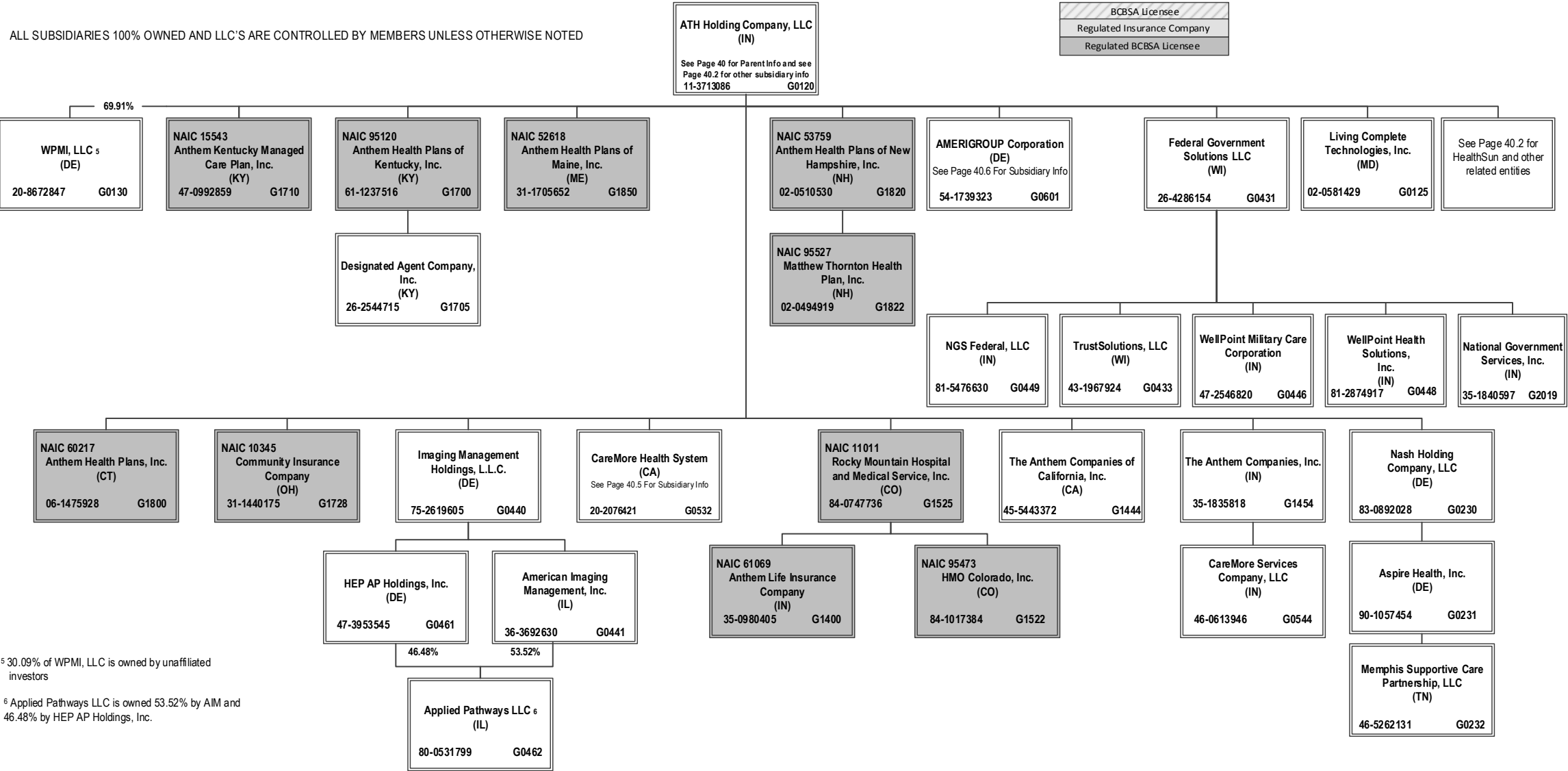
(b) Explanation of basis of allocation by states, premiums by state, etc.
Premium amounts are allocated based on residence of insured.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

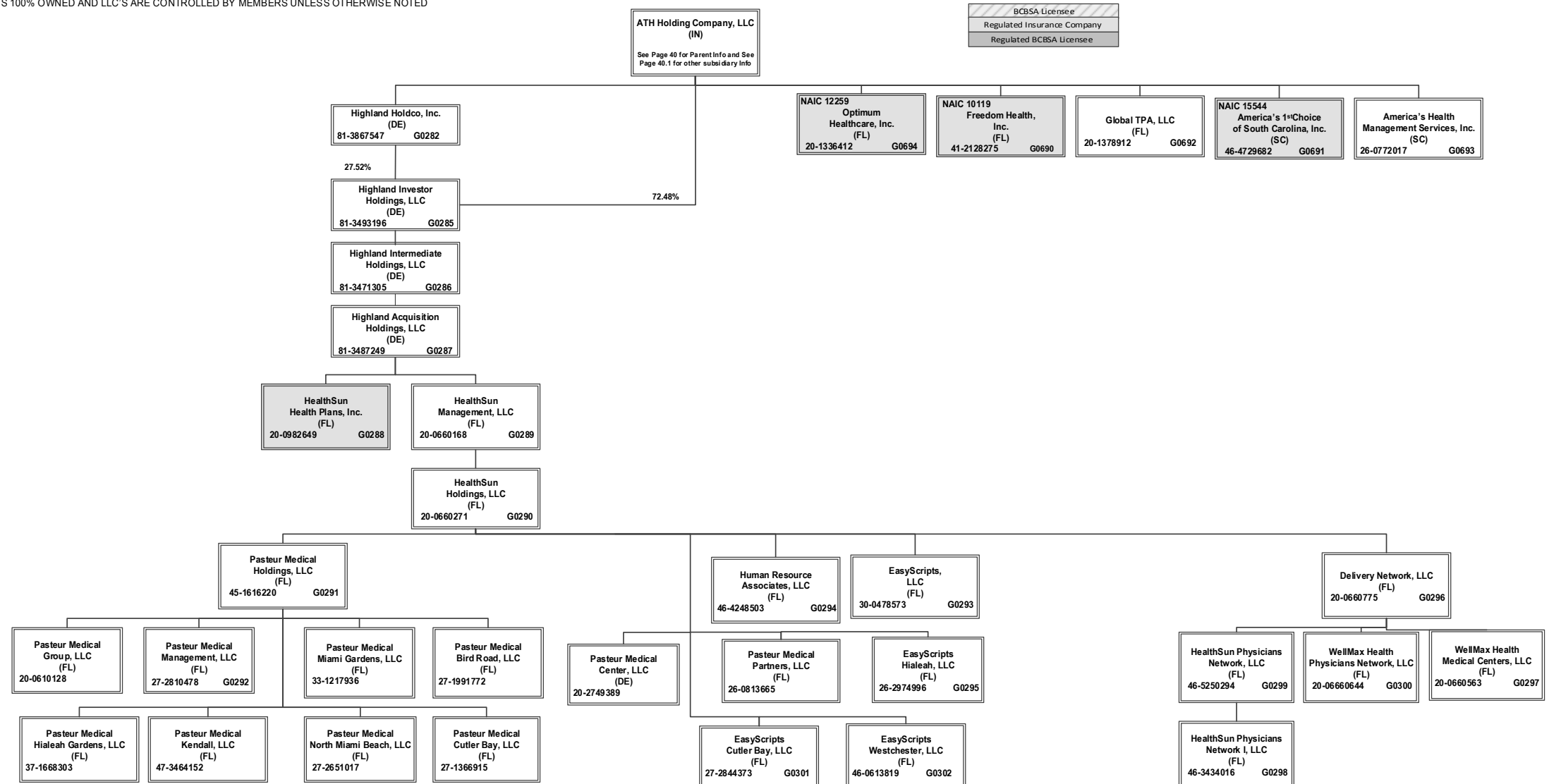


SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

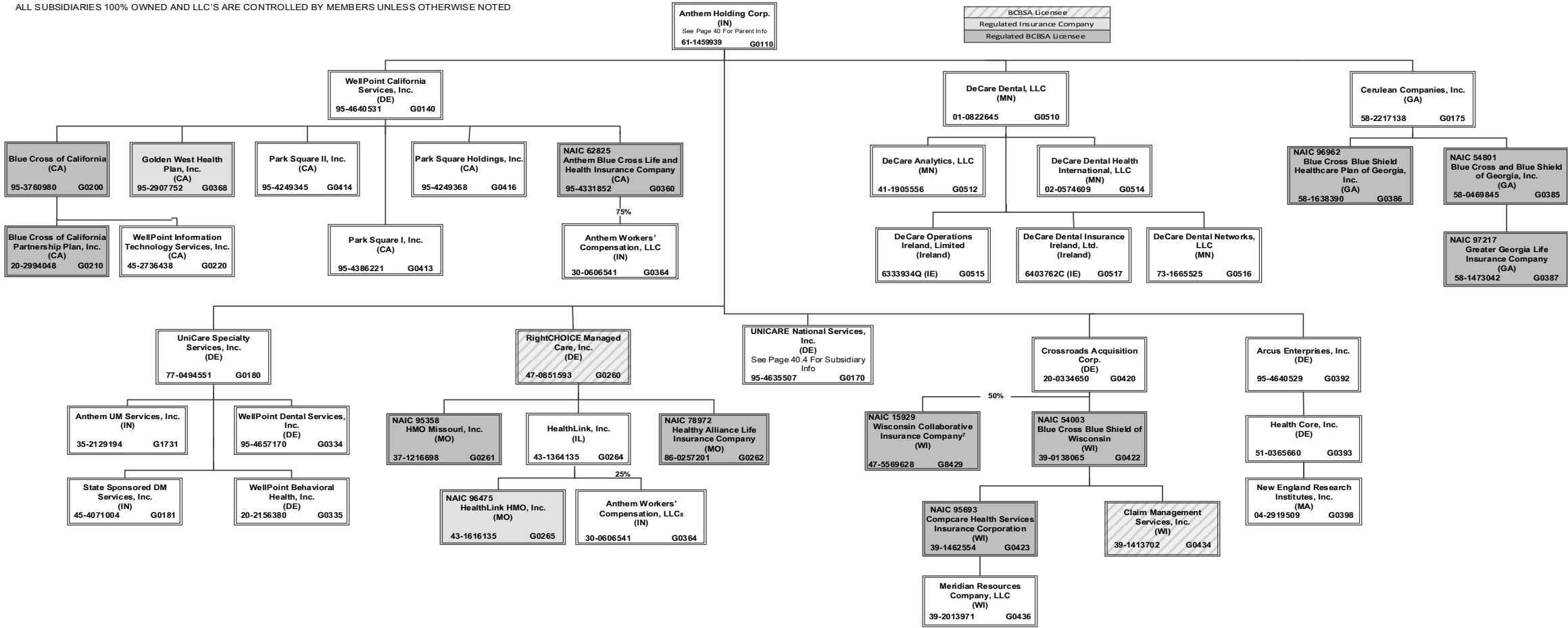


ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



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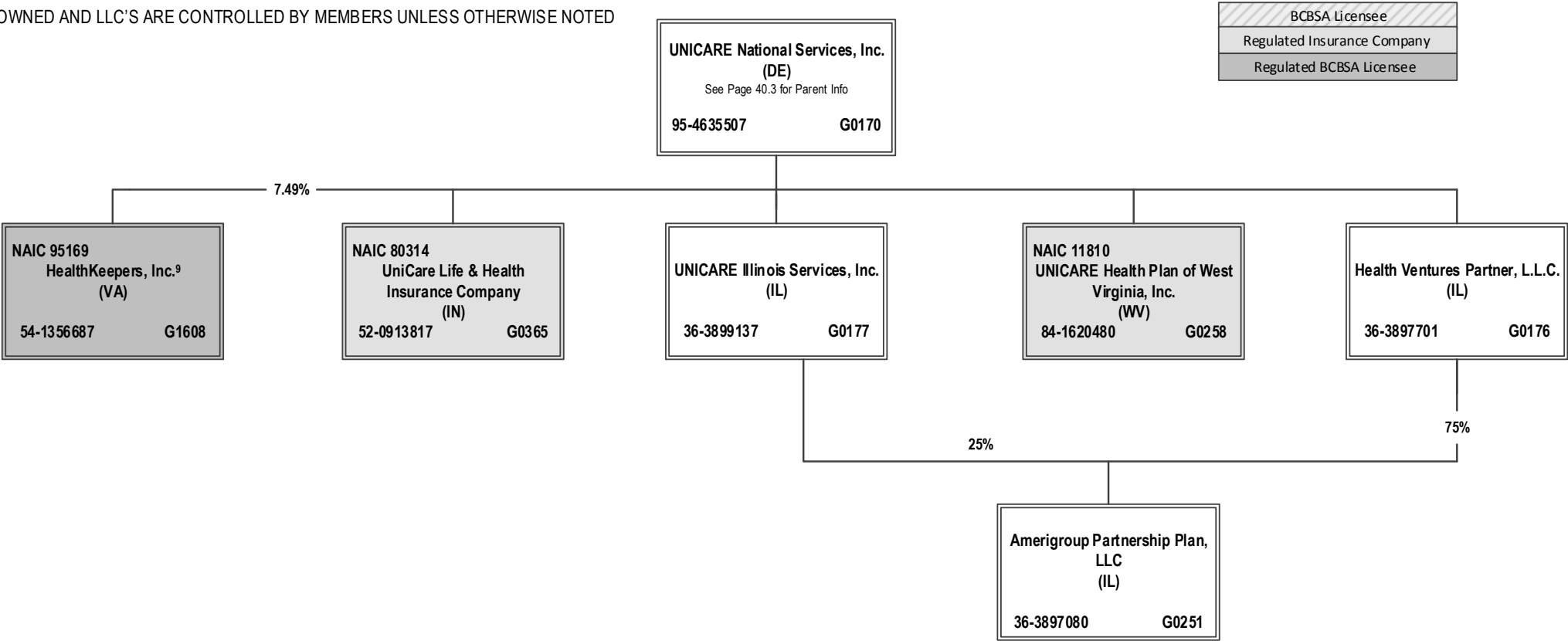


⁷ 50% of WCIC is owned by Aurora Health Care, Inc. (non-affiliate). Not consolidated for accounting purposes.

⁸ Anthem Workers' Compensation LLC is owned 75% by Anthem Blue Cross Life and Health Insurance Company and 25% by HealthLink, Inc.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED

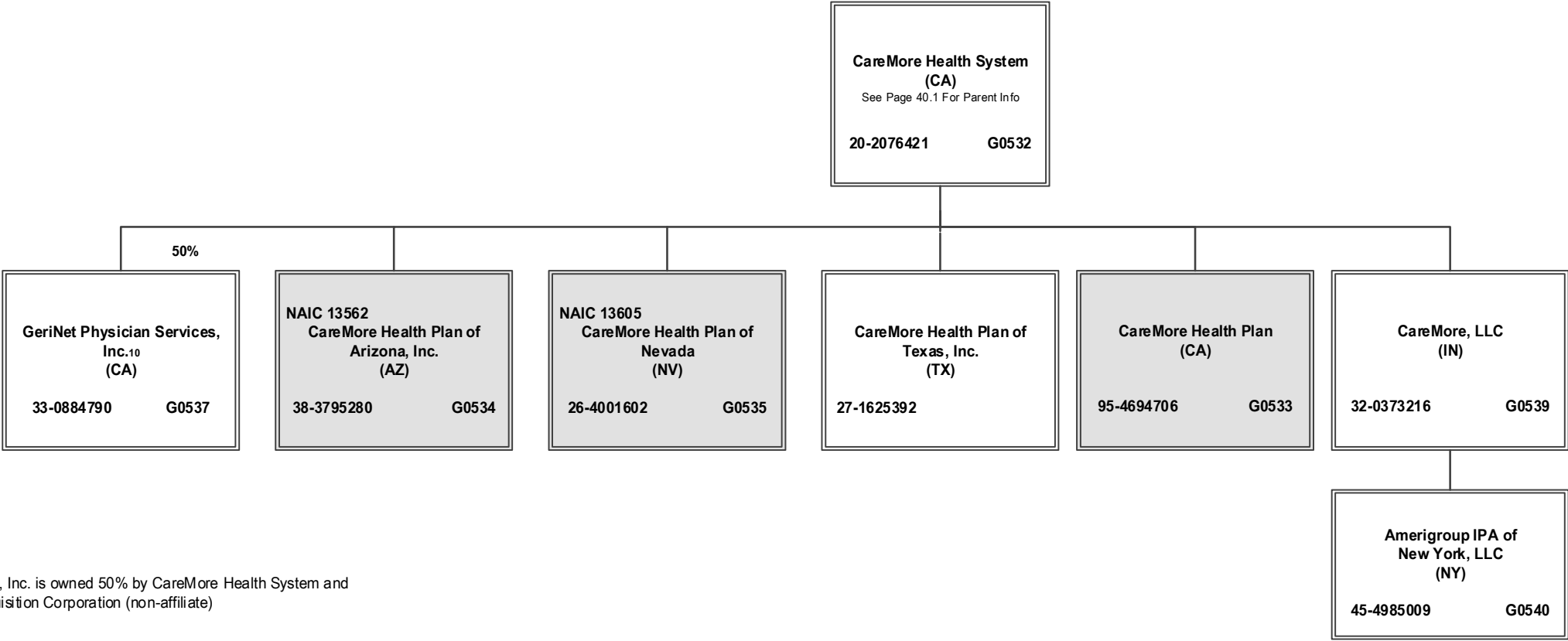


⁹ HealthKeepers, Inc. is owned 92.51% by Anthem Southeast, Inc. and 7.49% by UNICARE National Services, Inc.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

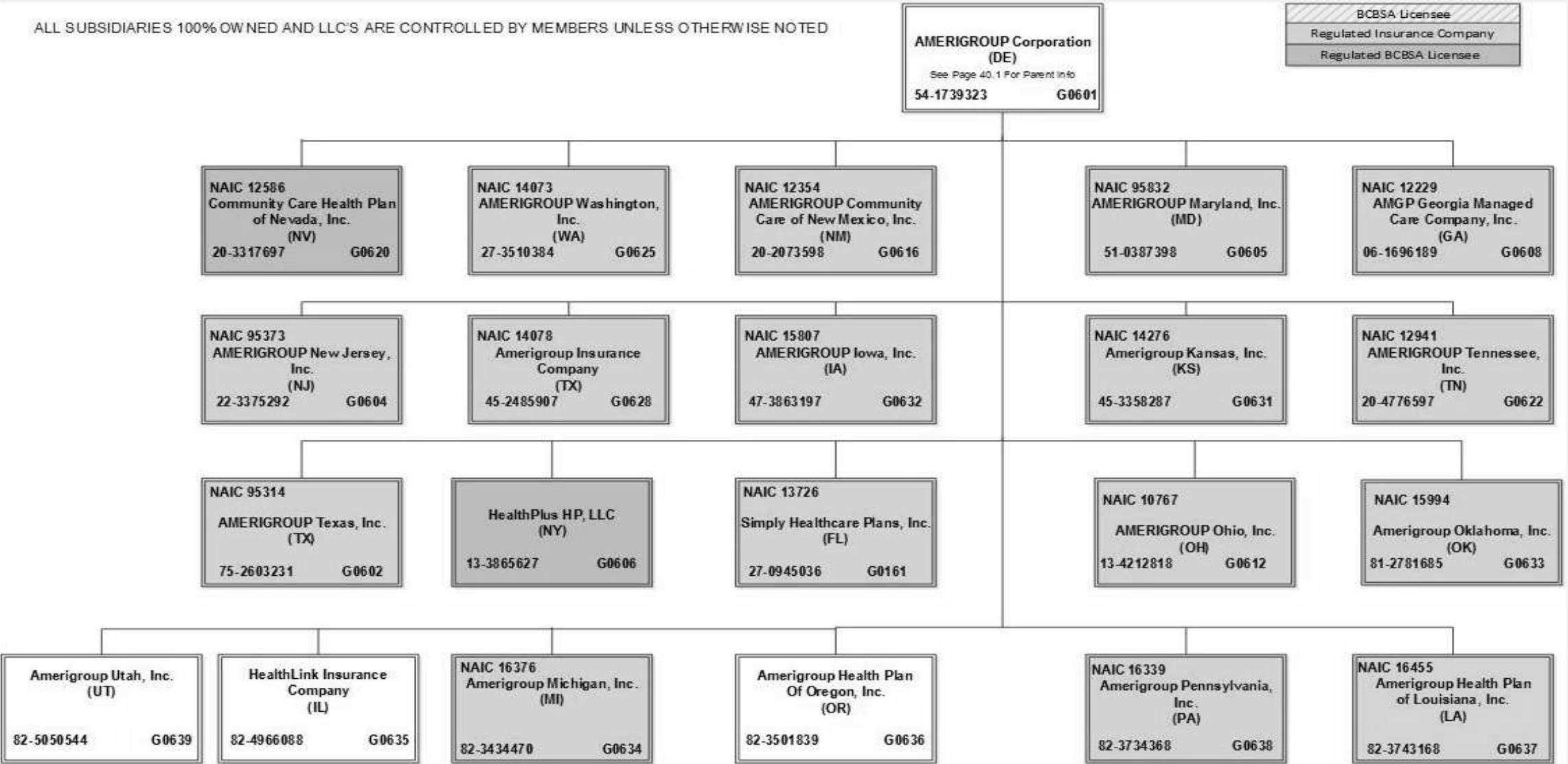
BCBSA Licensee
Regulated Insurance Company
Regulated BCBSA Licensee

ALL SUBSIDIARIES 100% OWNED AND LLC'S ARE CONTROLLED BY MEMBERS UNLESS OTHERWISE NOTED



¹⁰ GeriNet Physician Services, Inc. is owned 50% by CareMore Health System and 50% by Health Essentials Acquisition Corporation (non-affiliate)

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 23

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
2304.	Performance Guarantee Liability	646,405		646,405	507,026
2305.	Other Liabilities	516,671		516,671	2,822,735
2306.	Blue Card Liabilities	40,535		40,535	670,707
2397.	Summary of remaining write-ins for Line 23 from overflow page	1,203,611	0	1,203,611	4,000,468

ANNUAL STATEMENT FOR THE YEAR 2018 OF THE Anthem Health Plans of Maine, Inc.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Exhibit 1 Line 6

Source of Enrollment		Total Members at End of					6 Current Year Member Months
		1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
0604.	Stoploss	32,189	32,475	33,031	38,394	33,485	394,731
0605.	Medicare Supplement	19,811					
0606.	FEP	36,168					
0607.	.....					
0697.	Summary of remaining write-ins for Line 6 from overflow page	88,168	32,475	33,031	38,394	33,485	394,731

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